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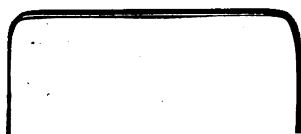
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UNITED STATES CONSULAR REPORTS.

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SCOPE AND METHOD

1725

OF

CONSULAR TRADE REPORTS.

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No. 68½.—September, 1886.



WASHINGTON:  
GOVERNMENT PRINTING OFFICE.  
1886.





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SCOPE AND METHOD

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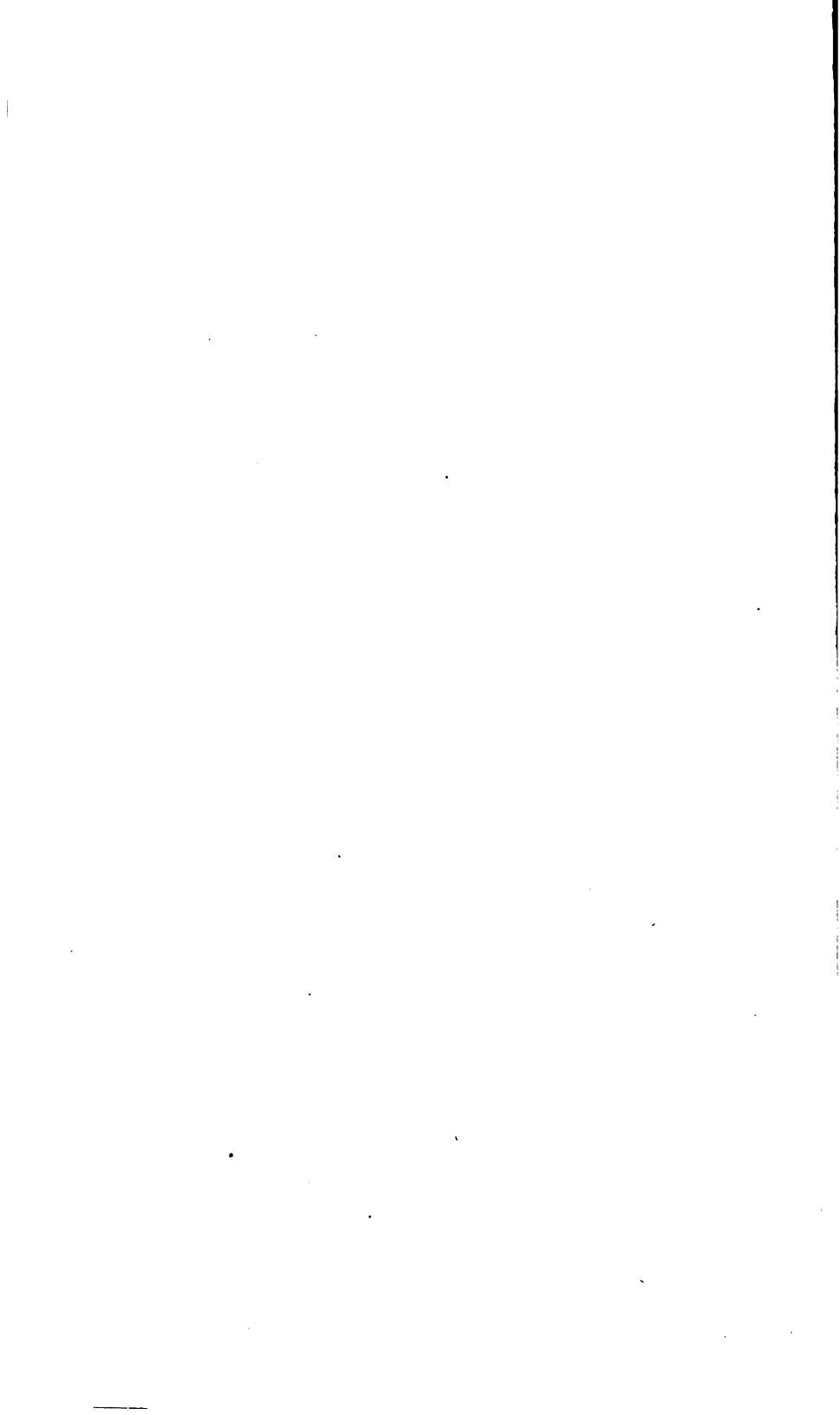
OF

# CONSULAR TRADE REPORTS.

BEING A CORRESPONDENCE RESPECTING THE QUESTION  
OF DIPLOMATIC AND CONSULAR ASSISTANCE  
TO BRITISH TRADE ABROAD.



WASHINGTON:  
GOVERNMENT PRINTING OFFICE.  
1886.



[Circular.—Consular Reports.]

DEPARTMENT OF STATE,  
Washington, September 20, 1886.

*To the consular officers of the United States :*

GENTLEMEN: I inclose for your information a memorandum prepared by Mr. James Bryce, of Her Majesty's foreign office, with accompanying papers, having in view certain reforms in the English consular service. There can be little doubt that these reforms are enforced, if they were not suggested, by the series of reports of American consuls printed during the last five years, and that an attempt will be made to equal them in fullness of detail and merit. In calling your attention to this plan, I cannot but express the hope that you will continue your efforts with renewed diligence, and give the earliest possible information to the Department of whatever may be of interest to merchants and manufacturers of the United States occurring in your consular district. Measures will be taken in the Department to secure the prompt publication of the reports received, and every opportunity will be extended to consuls to maintain the high standard which these reports have attained.

I am, gentlemen, your obedient servant,

T. F. BAYARD.



## CORRESPONDENCE RESPECTING THE QUESTION OF DIPLOMATIC AND CONSULAR ASSISTANCE TO BRITISH TRADE ABROAD.

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### No. 1.

*Memorandum by Mr. Bryce respecting the question of diplomatic and consular assistance to British trade abroad.*

The impression that British trade suffers through insufficient action being taken on its behalf by Her Majesty's diplomatic and consular officers has been so frequently conveyed, both in Parliament and in the press, that the grounds for it deserve to be carefully examined, and a respectful consideration given to the suggestions offered by merchants and manufacturers for directing and enabling these officials to render more active help to interests admittedly vital to our prosperity. I must, however, begin by observing that, after reading many communications from mercantile persons and bodies, listening to many speeches, and conversing with many persons of ability and experience in commercial questions, I cannot discover that any want of efficiency is chargeable on the diplomatic and consular services as a whole. They seem, in the great majority of instances, to have carried out the instructions given them by the foreign office with energy and tact, and their unfailing courtesy is admitted even by those who allege that their zeal lags behind their discretion.

The communications received by the foreign office on this subject include both complaints and suggestions. I will take the former first. They are reducible to two—

1. It is said that the traditions of the foreign office and of the diplomatic service are unfriendly or, at best, indifferent, to the promotion of commercial interests; that there exists a certain disposition to snub British traders and to leave them without the countenance and support to which they are entitled.

A charge of this kind is so vague that it can only be tested by instances. The few instances that have been cited do not bear it out. Whatever may have been the case in time past, when rich men often entered the diplomatic service as an excuse for fashionable idleness, there seems to be at present a full appreciation on the part of the diplomatic and consular services of the extreme importance of our foreign trade to the general well-being and prosperity, as well as to the political influence, of this country. The duty now imposed on secretaries of legation and consuls of preparing annual commercial reports reminds the members of both services of the value which this office sets upon their functions in regard to trade, just as the creation and constant activity of a commercial department within the foreign office testify to the anxiety of

successive secretaries and under-secretaries of state, as well as of the permanent staff, to provide for the prompt and efficient handling of questions of this nature.

Sometimes it may happen that a consul does not identify himself so fully with a merchant's projects as the merchant expects, or is not found able to supply all the information which his traveling fellow-countrymen desire. It must, however, be remembered that the consul living on the spot sees difficulties which the visitor ignores, that in many foreign countries information is hard to procure, that a British consul at a busy post is a hard-worked man, and that he is obliged to exercise much caution in espousing and aiding the schemes of persons whose commercial standing at home is imperfectly known to him.

Cases are of course put forward in which the diplomatists or consuls of other States have successfully pushed the interests of their countrymen. But those who dwell on these cases in Parliament or in the press omit to notice either the cases in which British subjects have been similarly helped, or those, not rare, in which foreigners have suffered from the obtrusive attitude or grasping intrigues of diplomatists purporting to act on their behalf. There are countries in which the commercial interests of a European nation have suffered from the excessive energy of its consular agents—an energy which has aroused the suspicion and alarm of the native authorities.

I may also remark that the countries in which British traders have been most largely supplanted by other foreigners are not those from which complaints of the interference of foreign Governments to help their subjects are most frequently received. There are, for instance, parts of Central and South America where we appear to have lost ground, but where our rivals are not believed to owe their success to any official action on their behalf.

One specific complaint, however, needs further notice. It is alleged that in some of the more remote and less developed countries, such as those of the east and in the Republics of Central and South America, British subjects who seek to obtain contracts or concessions from the Government of the country suffer from the reluctance of British representatives to push their claims, while the subjects of some other state benefit by the constant pressure which the envoys of their Governments exert.

Even admitting this to be the case—though there seems to be some exaggeration in the statements made as to the action of these envoys, and still more in the estimate of the results attained thereby—it must be asked whether Her Majesty's representatives ought to be instructed to follow such an example. Pressure upon such foreign Governments as those referred to usually means pressure upon some particular official who has the contract to give away. It is apt to be accompanied and softened by corruption in the form either of a bribe or of some service to be rendered or commission paid to this official inconsistent with the duty which he owes to his own Government. A diplomatic representative joining in or even conniving at such inducements runs a double risk, that of lowering the dignity and character of his own country, and that of soiling his own personal reputation. People begin to hint that he is himself to share the expected gains, and as he cannot tell the whole truth he is obliged to remain under imputations which go far to destroy his influence and usefulness.

These dangers are especially visible in the case of loans at high rates of interest which the subjects of civilized states sometimes seek to press

on Eastern Governments. Besides the political mischief which is apt to flow from such usurious transactions (of which there has been ample evidence in recent years), they confer no benefit on either the commerce or manufactures of the country to which the lender belongs, and are therefore no proper objects of the benevolent intervention of his Government.

Moreover, he who forces a contract upon a foreign state makes his own Government to some extent responsible for the honesty and business capacity of the contractor—things which he may not be able to guarantee. In getting the better of competitors from other countries he rouses jealousies and creates grounds of quarrel between his own and other European Governments; and in identifying himself with the contractor he disposes the latter to believe that he may rely on the power of his Government to compel the payment of such debts as the foreign state may incur under the contract. Bearing all this in mind, I believe that if our diplomatists have erred in this matter by abstention they have erred on the safer side. Cases may of course occur where another European Government seeks to use its political influence to obtain exceptional advantages for its subjects from an Eastern state. In such cases it is no more than right that our envoys should remonstrate, and insist on an equally favorable hearing for British subjects as for other foreigners; but this, I believe, is the regular practice of Her Majesty's agents, and has been repeatedly approved by the foreign office.

2. The other complaint is that the information regarding commercial matters which is transmitted from abroad is not of the right kind, comes too late, and is not published in an accessible and attractive form.

There may be some foundation for this complaint. But it must be remembered that few of Her Majesty's representatives can be expected to possess special competence for reporting on technical questions relating to particular branches of industry. No person can enlighten British manufacturers on such special matters unless he has himself a practical knowledge of them, and has kept that practical knowledge up to the level of to-day's requirements. Taking the secretaries, and consular reports as a whole, they are equal in quality and superior in quantity to those prepared by the foreign representatives of any other European country or of the United States, and as good as can be looked for from persons few of whom possess special knowledge.

The suggestions made for the better promotion of British trade abroad by means of Her Majesty's representatives are as follows; I give not only those addressed to the foreign office by its correspondents, but such also of those made in Parliament or the press as have come to my knowledge:

1. The publication of a weekly commercial paper—somewhat analogous to the French "*Moniteur Officiel du Commerce*"—setting forth tariff changes, movements in foreign markets, foreign commercial legislation, port and harbor regulations, &c.

2. The establishment of an office in London—like the French "*Bureau de Commerce*"—where tariffs, circulars, items of commercial news, &c., can be referred to by the public, who may inspect and copy.

3. That sample and specimen rooms should be attached to the principal consulates abroad, where various classes of British manufactured goods would be on view, and that the expense of maintaining such rooms should be met by fees to be fixed by an order in council.

4. That commercial museums and exhibitions of manufactured goods be established in well-chosen manufacturing centers, and that floating museums or exhibitions should be sent to various ports with samples of British goods.

5. That foreign tariff changes and projected changes should be made known more rapidly than heretofore.

6. That Her Majesty's diplomatic and consular officers abroad should use their best efforts to place British subjects on a not less favorable footing than foreigners in search of concessions or other commercial enterprises.

7. That any such undertakings should be at once reported home by Her Majesty's representatives.

8. That consuls be chosen from men possessing commercial qualifications and technical knowledge.

9. That the names and addresses of consuls abroad, and their office hours, should be made public.

10. That trade reports should appear at fixed and stated intervals; that more details respecting wages, hours of labor, cost of living, &c., should be put in them.

11. That copies of these reports should at once be sent to trade journals. That samples of manufactured goods and of agricultural products be sent home with them.

12. That changes in the classification of goods for tariff purposes be noted, and the decisions of commercial tribunals.

13. That more commercial attachés be appointed to embassies and legations.

14. That consuls should assist in recovering debts, and recommend trustworthy lawyers and accountants.

15. That consuls should report what means other countries adopt to push their trade.

16. That naval officers should write trade reports.

17. That consuls, when at home on leave, should visit commercial centers, and acquire technical knowledge.

18. That they should answer inquiries regarding the stability of foreign business houses, and how far credit may safely be given them.

19. That commercial clerks (or *chanceliers*) should be appointed to all consulates.

20. That a department be constructed in the foreign office specially charged with the prompt collection, publication, and diffusion of important information concerning commercial and industrial affairs.

21. That the foreign office should send abroad advertisements, commercial newspapers, &c., to consuls to distribute or show.

22. That every consulate should keep a registry of persons who are willing to act as agents abroad for British traders.

23. That Her Majesty's consuls should act as quasi public prosecutors in cases of trade-mark or patent infringements, &c.

24. That native agents be more employed by merchants in China and elsewhere than at present.

25. That the commercial department of the foreign office be "assisted by a council of advice, which should be drafted from the representative ranks of chambers of commerce, and that it should be assimilated with a kindred department of the colonial office and India office."

26. That consuls should be placed in direct communication with chambers of commerce.



27. That consuls should cultivate a "closer personal touch" with traders in their district.

28. That consuls be allowed to buy and charge for such statistical information as they may be unable to procure otherwise, or not till too late a date.

Instead of examining in detail these suggestions, some of which are obviously useful, others obviously inapplicable, while many of them are acted on already, I shall state what seem to be the functions which the foreign office may properly instruct its agents abroad to discharge, and what kind of action, both at home and abroad, the foreign office and its agents may take without substantially increasing the present expenditure on the diplomatic and consular services. Some of the forms of action suggested would require a very considerable increase, but it is evidently the duty of the foreign office to await in such a matter the expression of the wish of Parliament.

These functions and forms of action fall under two heads: Those which relate to the conduct of Her Majesty's representatives in foreign countries for the promotion of British trade there, and those which relate to the action, both of them and of the foreign office, in the collection, transmission, and diffusion at home of information serviceable to the industrial and commercial classes of this country.

It must be remembered that most of what is in the following remarks described as desirable has been and is now done by the commercial department of the foreign office or by Her Majesty's agents abroad under their instructions. There are very few possible lines of action which the commercial department has not already opened up, so that further progress must be chiefly in improving some details, and in the maintenance of an unflagging interest and activity in commercial matters among those who serve the country.

#### *I.—As to the action in foreign countries of Her Majesty's representatives.*

1. Her Majesty's representatives and consuls ought to be at all times ready to afford orally or by letter the best information they possess to those British subjects who may apply for it, regarding the state of business in their respective districts, the openings for trade which exist, the new undertakings projected, the new industries started, the new lines of communication which are being opened, and (where they are in a position and feel at liberty to do so) the respectability of foreign commercial houses. Obviously, they can only speak to the best of their knowledge, information, and belief. They cannot be expected to incur expense and neglect their other duties for the purpose of procuring information for a private person, and if they venture to speak at all regarding the character of the firms as to which they may be questioned, they will have to speak guardedly, warning the questioner that they give no guarantee.

2. They ought to be prepared to introduce to persons or firms or Government officials in the districts where they reside such British subjects as come properly recommended. Here, too, there is much room for discretion as to the extent to which they may go in recommending a British merchant or his agent to a foreigner. In some cases they will merely state that he is a British subject who has brought a letter from some person of respectability, or from the foreign office, as the case may be. Very rarely would it be expedient that they should make themselves responsible for any person not traveling on an official mission.

3. They may properly recommend to British subjects having legal business competent and trustworthy legal advisers and accountants, and render to British litigants such advice and help as their own experience may show to be useful. In many countries the difficulty of knowing the law of the country, and of ascertaining how far it is fairly administered in cases where foreigners are concerned, is a serious hindrance to traders who may not be established there, but do their business through the post or by local agents. A consul cannot be expected to become a debt collector, but he may sometimes be able to keep or to hold a British merchant out of a peculiarly annoying source of loss.

4. They may intercede on behalf of British ships which have unintentionally infringed quarantine or customs regulations, and endeavor to obtain either exemption from any oppressive formality, or the remission of a fine imposed when there was no wrongful purpose on the part of the captain or freighter. Services of this kind are rendered every day, and are so much a matter of course that the commercial public at home hardly realize how essential they are, and how much of a consul's time they occupy in busy ports.

5. It has been suggested that consuls might regularly (as some now do occasionally) distribute the circulars of British trading firms, or might undertake the control of a show-room, to be placed at or near the consulate, in which British goods could be displayed. Apart from the additional labor which this would impose on a consul, to the disadvantage of his other duties, it must be observed that this would turn him into a sort of commercial agent, a character scarcely compatible with his position as representing a great State, and that it would be hard for him to show equal zeal in pushing the interests of the various firms who would seek to use him. Most of the commercial authorities whose opinion I have asked disapprove of the proposal.

6. The case of British subjects seeking to obtain contracts or concessions from foreign Governments presents special difficulties (adverted to above). It will, of course, be the duty of Her Majesty's representative to secure a fair hearing and full consideration for his countrymen, and to see that competitors belonging to other countries gain no advantage by the influence of their envoys. When exceptional pressure is being used by these envoys, it may be necessary for him to exert similar pressure, and to remind the Government of the country where he resides that the British Government will regard exceptional favor shown to the subjects of other powers as being a departure, amounting to a mark of unfriendliness to itself, from the safe rule of equal favor and open competition.

Such pressure, however, if justified by the circumstances of the case, would have to be employed under several conditions, viz:

That no preference should be sought for one of two or more British competitors *inter se*.

That no use of questionable means (*e. g.*, by the offering of benefits to the minister controlling the contract) should be connived at.

That, in the absence of special instructions from home, no guarantee should be given, nor the faith of Her Majesty's Government in any way pledged, on behalf of a person seeking a contract.

That, in the absence of such special instructions, no such action should be taken as would lay Her Majesty's Government under an obligation in respect of the favor shown to the British subject.

## II.—As to the obtaining and publishing of intelligence from abroad.

Under this head three points have to be considered :

(A.)—*The kind of information which the diplomatic or consular agent ought to collect.*

The existing instructions call the attention of the consuls to most of the topics on which British manufacturers and merchants may desire to be informed. Adding to these some others which have been suggested, we arrive at such a list as the following :

Information regarding labor, including rates of wages, hours of work, condition of work-people, trades-unions, strikes and lock-outs, systems of co-operation and profit-sharing. Such information will be specially valuable in view of the recent establishment by the Board of Trade of a labor bureau for the diffusion of intelligence on industrial topics.

Information regarding manufactures, notices of inventions, of the development of new branches of industry, of the transfer of capital from one manufacture to another, of new appliances in agriculture.

Information on the movements of trade, the increasing or declining demand for certain kinds of goods, changes in taste or in the habits of life of a people as affecting demand for imported articles.

Information on legislation, changes in customs regulations, tariffs, quarantine, and in the laws relating to commerce and industry.

Information relating to finance, banking, currency, public loans, and taxation.

Information relating to modes of communication and transport, railroads, lines of steamboats, rates of freight, directions in which traffic is beginning to flow.

Information as to the administration of the law, decisions on important commercial questions, regulations relating to law charges, changes in commercial procedure.

Information on undertakings and enterprises of moment, the construction of public works, the opening of mines, the granting of concessions for working minerals or forests, or for other similar purposes.

Information relating to technical and industrial education, and as to the functions assumed by the State in connection therewith.

Information relating to exhibitions, congresses, conferences, and other occasions on which traders meet or goods may be displayed.

Statistics of all kinds relating to commerce, shipping, and industry.

Returns of the names of British merchants and firms engaged in business within each consular district, and of the nature of the business in which they are engaged.

Of course no one can expect a diplomatic or consular officer to report on all these matters at once, even supposing him competent to do so. The list is given as suggesting points, sometimes one, sometimes another, of which many from month to month or year to year possess special importance, and therefore deserve to be reported on, whether by way of a concise statement of fact in a dispatch, or of a reasonable treatment in a comprehensive report.

It has been urged that a consul should also be required to send home samples of the goods most in vogue in the country where he lives, or specimens of its chief products, and of those especially which compete with British manufactures. In several instances consuls have already done this. Few, however, can possess the special knowledge of goods which would give value to their selection of samples. The expense of

procuring proper samples in sufficient quantity and of their conveyance to England is a further, though not a grave, difficulty, not to add that the commercial museums have not yet been established at trade centers where such samples could be advantageously displayed. Nevertheless, the experiment deserves to be tried, and instructions to this effect are now being drafted to consuls\* in the more remote parts of the world, who may properly be instructed to endeavor to procure patterns of at least some classes of the goods (say, for example, textile fabrics) chiefly in demand in their districts. These may be sent when received to the leading Chambers of Commerce, to be displayed in a manner calculated to bring them to the knowledge of the merchants and manufacturers interested. In Germany such collections of samples have lately been exhibited in several towns, and have stimulated the manufacturers to produce goods of the kind popular in the foreign markets whence the samples come.

Whether accompanied by samples or not, thorough and accurate reports on the topics above mentioned would obviously be valuable to British traders. Can such reports, however, be expected? Secretaries of legation and consuls have rarely any practical knowledge of commerce, still more rarely any special acquaintance with a particular line of commerce or branch of manufacture. Now, considering the increasing specialization of business as well as of science, it is plain that the observations of a man, however intelligent, devoid of special knowledge of any department, will not give the trader in that department all the information he needs. No manufacturer of textile goods could determine his production or his shipments upon the contents of a report written by a diplomatist or consul who had never made or dealt in textiles. Even if you suppose a consul to have "got up" cottons or woollens, he would not have got up hardware goods also; or, *vice versa*, if he understood the iron trade, he would not understand cotton goods. Moreover, each of our great branches of industry already does this work for itself, for in each there are a few leading firms which issue circulars and reports relating to the foreign trade in the particular branch—reports in which the sort of specific information is given which a merchant or manufacturer needs for his guidance. As is well observed by Mr. A. Provand in his memorandum (printed in the correspondence), these reports are different in their nature from those to be expected from consuls. But their existence makes it unnecessary for a consul to deal with the minutiae of a particular trade.

If merchants at home conceive that they need further data for their export business than what private trade circulars and reports now supply, either the diplomatic and consular services must be re-enforced by a large number of trade specialists—men who, if they have not failed in business themselves, will be obtainable only by the temptation of large salaries—or else the commercial classes must themselves provide for getting what they desire through a better system of agents sent out either by firms or by commercial bodies. The latter seems the simpler solution; and it deserves to be noted that several of the consuls who have replied to the foreign office circular ascribe the advantages lately gained by some foreign nations, especially the Germans, over English merchants to their larger use of commercial travelers, and the superior competence (in linguistic attainments and otherwise) of the travelers whom they employ. It is also observed that English houses, owing, apparently, to the difficulty of finding among their countrymen persons

\* See Appendix B, page 84.

familiar with foreign tongues, are in the habit of employing foreigners as their commercial travelers. After a little these travelers set up for themselves, and thus connections which have been formed by the representatives of British firms are carried away into foreign hands, not to add that even while he is acting for a British firm a foreigner is more apt to give incidental help to one of his fellow-countrymen than to an Englishman.

I shall refer presently to a suggestion that has been made for meeting this want of special qualifications among the diplomatists, viz, the appointment of commercial attachés. Meanwhile it may be observed that the most we can expect from a consul preparing a report is that he should understand the laws, the social system, the commercial and industrial conditions of the country where he is placed, and that he should be careful to refer to the best sources, written or oral, for information on those matters which lie outside his own range of knowledge. He may thus produce reports which will be useful to the merchant or manufacturer at home, not, perhaps, as a maker of or dealer in any special class of goods, but as a mercantile man, who wishes to know the prospects of British trade generally in a given district.

It is true that a British consul is in one respect worse off than the consular officers of other nations. He has far heavier duties connected with shipping because our mercantile marine is much the largest in the world. In many ports the whole day is consumed in necessary routine work and little time left for researches into commercial questions. Nor is this disadvantage wholly compensated by the fact that he is brought into contact with an unusually large number of ship captains, brokers, underwriters, and importing firms. He meets these persons as an official, not as a merchant. The consuls of States are very frequently engaged in trade, and as traders learn much which the British consul, pressed by official duties, has neither the time nor the opportunities to pick up.

We should look in vain for men capable of discharging all the duties, political and social, literary and commercial, which the correspondents of the foreign office wish it to throw upon its consuls; and even had we discovered the men there would remain the difficulty of finding time for such multifarious work.

In seeking for information likely to be serviceable in his own country, a British representative may be both guided and stimulated by the communications he receives from home. It is already the practice of the foreign office to call for occasional reports on special subjects, and I conceive that in addition it might occasionally direct the attention of a secretary of legation or a consul to some particular topic, requesting him to be specially careful to send home from time to time such facts as he could collect bearing on it. In giving such directions the foreign office itself would naturally have regard to the suggestions made or requests preferred to it by mercantile authorities at home. Mr. Consul Brown observes, with truth, that many persons find it easier to report on a subject if one starts from a basis of questions drawn up by a competent person than it is to construct a wholly original report.

The practice of the American State Department is to require from many of its agents abroad reports at the same time upon the same branch of industry, and in this way a volume of interest to a particular trade is produced. But American consuls have far less work than our own, and are more frequently men of practical commercial experience taken out of commerce for four years and then sent back to it on the accession of a new President.

The question remains, what should be the respective parts of diplomatic and of consular officers in reporting on commercial subjects? Some of the mercantile persons and bodies that have addressed the foreign office seem to confound the functions of these two classes, yet they are sufficiently clearly distinguished. An ambassador, or minister, or secretary of embassy or legation ought to report on the commerce, or manufactures, or social conditions of a country as a whole. Statistics relating to these matters are usually published at the capital and for the whole country; it is mere waste of time to force a consul to repeat what can be better given from headquarters. Changes in the law, including changes in tariffs and quarantine regulations, are usually first announced at the capital, and apply to the whole of a State; it is, therefore, from a diplomatic agent that news on this subject should be expected. If he needs information from a port he can ask the consul for it before sending his dispatch home. When the matter to be investigated and reported on concerns a district in which no British consul is stationed—and it must be remembered that we have few consuls save in sea-ports—some one at the embassy or legation is usually fitter to deal with it than a consul, who may, perhaps, be less easily spared from his post, and is likely to have fewer facilities than the capital affords for procuring information. On the other hand, the consul stands at the point of import; he sees the goods entering and the merchants who take them; he can form a better opinion on many trade affairs than a secretary of legation, obliged to fulfill the social duties of a court city. Hence the consul is the person from whom to get not only the local statistics of his port and district, but remarks on the movements and tendencies of import trade, the reasons why other countries prevail in any particular line against British competition, and the effects of tariff changes upon trade, both as between various importing countries, *inter se*, and as between Great Britain and the home producers of the country where the consul is stationed. The effect of opening new lines of transportation, whether by sea or by land, is also a matter on which the consul is usually better able to report than the diplomatist at a capital.

Bearing this distinction of functions and opportunities in mind, it is clear that some of the duties which our merchants wish to throw on the consuls, *e. g.*, that of reporting changes made or likely to be made in tariffs, ought not to be placed on them; and I conceive that in revising the existing instructions, the respective duties of diplomatic representatives on the one hand, and of consuls on the other, might with advantage be more clearly defined. It is no less plain that, as each class is the complement of the other, efforts should be made to secure a due relation between their respective annual reports, and to publish these in the same series.

(B.)—*The transmission of intelligence from abroad.*

There are three points to be dealt with under this head, viz :

Speed of transmission.

Regularity of transmission.

The intervals or periods at which transmission ought to take place.

The present practice is to require from every secretary of embassy or legation, and every paid consular officer, an annual report on the trade, commerce, and navigation of the country or district (as the case may be) in which he is stationed, and from every secretary of embassy or legation an annual report on its finance. Occasional reports on special subjects are sometimes called for, more frequently from embassies than

from consulates. Information on commercial or industrial topics is occasionally forwarded without being called for, more frequently from embassies than from consulates, and it takes sometimes the form of a short dispatch, sometimes of a regular report.

The defects in our present practice are :

(a) That the current intelligence (as it may be called) comes too slowly to be of much practical service.

This does not seem to be the fault of our representatives abroad. It is rather due to the fact that, as hitherto the only regular means of publishing information supplied to the foreign office has been through the annual reports, and diplomatists and consuls have reserved for these reports most of what they have to say about the trade of their districts. As this deficiency is now to be remedied (see next paragraph), I see no objection to, and much gain in, instructing both diplomatic and consular agents to transmit, with all possible speed, all such information as they can collect of present commercial value, leaving it to their discretion whether to send it as a short note in a dispatch, or in the form of a report (longer or shorter, as the case may require), and even empowering them, in urgent cases, to use the telegraphic wire. For commercial purposes, as well as in political negotiations, the briefest intimation in England of a new fact is often of more worth at the first possible moment after it has become known abroad than the fullest report a week later.

(b) That the annual reports come in irregularly, and often too late to be of practical utility.

Upon this it is to be observed that (as many of our consular correspondents point out) the annual reports have to wait for the trade statistics of the year, and these statistics are in many countries not published till six or even eight months after the expiry of the year. If a consul tries to get at the necessary statistics by private inquiry, or from the books of the local custom-house, he is obliged to spend much time and trouble, perhaps some expense, in obtaining the data whereon to ground his report. Thus, a report for one year is sometimes not ready for publication till late in the year succeeding; and remarks drawn from personal observation or inquiry, which would have been fresh, interesting, and valuable if published when they first occurred to the writer's mind in January, have become stale and profitless, because he has to wait until August for the statistics which are to accompany them.

This plea is a good one in many cases, but there are others in which it is unavailable. A reference to the list kept of the date of receipt of commercial reports shows that many have come in much too late, some so late as to be not worth publishing, while a few never come at all. Assuming reports to be desirable, the supervision exercised over their appearance ought to be stricter than heretofore. A dilatory consul ought to be more promptly recalled to a sense of his duties in the matter, a punctual and zealous consul to obtain ampler recognition of his assiduity. In cases where the report now waits on the tardy publication of foreign official statistics, it may sometimes be desirable to forward it separately at once, and the statistics later. Of course the quicker transmission and publication of short notes and current news generally will make delays in the appearance of the comprehensive report less harmful.

It has been suggested that quarterly instead of annual reports should be required. This would seem to impose too great a burden on consuls, already a hard-worked class, and the argument for it will be much weakened if the plan of obtaining and publishing frequent occasional notices

be adopted. Mr. Consul Crawford proposes that whereas now all consuls are instructed to report up to the 31st December for each year, they should be divided into four classes, and each class directed to report in a given quarter for the whole twelve months preceding. In any event, our aim should be to insure a greater regularity, as well as promptitude, than at present exists in the transmission of reports.

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### III.—*Miscellaneous suggestions.*

It remains to advert to some other suggestions which have been made for increasing the commercial utility of our services.

One is, the establishment of commercial museums, a matter discussed in an interesting memorandum by Mr. Kennedy, and Mr. Bateman of the Board of Trade, on the similar institutions in France, as also in a report recently received from Mr. Crowe at Paris, which will shortly be published. English commercial opinion is not quite unanimous on this subject. Most of our authorities conceive that such museums would be useful, but remark that they ought to be planted, not in the capital, but in such centers of industry as Manchester, Leeds, Sheffield, Birmingham, Nottingham, Glasgow, Dundee. Others observe that although collection of foreign patterns would help to show the tastes and tendencies in matters of design and color of consumers in foreign markets, British novelties would be less easy to procure, because manufacturers are jealous of letting their patterns come to the knowledge of their rivals. Nor is it clear that the State should bear the expense of such museums. They seem rather an enterprise proper to be undertaken by the chamber of commerce of a great town, or by an association of such chambers; although no doubt consuls ought to be encouraged or required to supply materials by sending home patterns and inventions as well as samples of foreign produce suitable for such a collection.

Much matter of interest to British traders is annually published in the official reports of the leading European States and of the United States. The suggestion that extracts from these reports should be collected and officially published here is a good one, but one which it does not seem the special province of the foreign office to carry out, although, of course, it is through our diplomatic agents that these documents might be most readily procured.

Still more weight has been laid upon the suggestion that there should be added to the diplomatic service a new class of persons specially trained for and charged with the duty of promoting British commercial interests. It was even proposed in the House of Commons last session that a commercial attaché should be appointed at every foreign capital where Her Majesty is represented. Not to speak of the expense which this would involve, it may be doubted whether a commercial attaché would at most capitals find enough work to occupy him, or whether, by any exertions he might put forth, he could render much further help to British manufacturers and merchants than they now obtain through the press and private channels of information. His presence would be an excuse for the neglect of commercial affairs by the rest of the embassy; there would be little promotion for him; nor would it be easy to secure, except by a large salary, capable men for a post so much out of the line of the regular service. Only a person of large commercial knowledge, judgment, and experience would be worth having, and such a person would be almost certain to prefer a private commercial career to the prospect which this special branch of diplomacy would hold out.



If such a class of officials are needed, it is not necessarily in capitals that they would be most serviceable; but the view that they are generally needed seems anyhow to rest on a wholly exaggerated estimate of the services which diplomatic representatives can render to private traders.

More may be hoped from stimulating the interest of our present diplomatic and consular officers in commercial affairs, and from giving them both a stronger motive and better facilities for activity in this department of their duties. There will always be among our diplomatists some men with a special turn for mastering commercial subjects. Such men might be encouraged to prosecute inquiries into these subjects, and be selected by preference for posts where proficiency in them was likely to be valuable. As regards the consular branch, even if it be not turned into a regular service similar to the diplomatic, a question too large to be discussed here, something more than has yet been attempted might be done to develop its aptitudes in this direction. Special regard might be had, in the appointment of consuls, to their capacity for commercial work. Opportunities might be given to consuls of obtaining the sort of knowledge which would help them, as, for instance, by extending their acquaintance with mercantile law and the methods of commerce, or by visiting some of the chief seats of British manufacturing industry. Promotion to a higher post might be influenced by the tact and zeal a consul had shown in helping English trade, and by the mastery of commercial questions displayed in his reports. He should be encouraged to communicate more frequently with the foreign office on these topics, and similarly the commercial department of the office might become to a larger extent than at present the means of conveying to our representatives the wishes and inquiries of the mercantile community at home. It is not easy to specify the precise forms which this kind of intercommunication would take, nor would it be prudent to anticipate large new results from it; all I suggest is that more might be done than is now done to focus, by means of the foreign office, the ideas and desires of those who in England are employed in foreign trade, and to radiate, so to speak, these ideas from home over all those places wherein help is sought or whence information is required.

It does not, however, follow that the notion which lies at the bottom of the proposal to appoint commercial attachés is an unfruitful one. We in England have much to learn from other countries, not only as respects the methods by which they conduct their industries and their commerce, but also as regards their legislation, the condition of the masses of their people, the various means by which they deal with those social and educational problems which confront all great modern States. Any one who has been accustomed to travel on the continent of Europe or in North America is daily struck by the number of points in which the experience of other countries throws light on our difficulties—sometimes in the way of suggestion, sometimes in that of warning—and is led to desire that a more constant and systematic means existed than we now possess of obtaining and rendering available, for the benefit of Britain and her colonies, the results of that experience. Of late years much has been done to procure such data, both by sending out occasional commissioners to inquire on specific subjects, and by requiring special reports from Her Majesty's representatives in foreign countries. We have a commercial attaché at Paris, whose reports on trade and industrial questions are excellent, and who should be frequently instructed to report on these questions as they arise in different parts of France.

But our diplomatic representatives (even supposing that they could quit their posts to travel when required) are not always qualified by their knowledge, by their literary skill, or by the possession of a keenly observant mind, to obtain the right sort of information, or to present it in effective form. There would be ample occupation for two or three men of exceptional aptitude in going from place to place to report upon subjects belonging to what may be called the realm of economic and social progress. One might be kept busy in the United States, where the diversity of laws and the continual development of new branches of industry furnishes an almost boundless field for instructive inquiry; two more in the continent of Europe, with most of whose States we have frequent negotiations on commercial questions, in which a knowledge of their commercial condition becomes important.

Although commerce and manufactures would afford the most frequent occasions for reports, one might suggest a great number of other topics to which the inquiries of such roving commissioners might be from time to time directed. Here are a few:

The action of the state in promoting the development of agriculture.

The action of the state in promoting commerce (*e. g.*, ministry of commerce).

Systems of banking.

Methods of commercial education.

Technical schools and institutions.

Trade societies and the laws regulating them.

Strikes and disturbances thence resulting (*e. g.*, Belgium, Decazeville, St. Louis).

Methods of out-door poor relief.

Methods of supplying hospital accommodation.

Sanitary authorities and regulations.

Co operation among workmen.

Profit-sharing enterprises.

Dwellings of the poor, and the action of municipal authorities regarding them.

Liability of employers for accidents to work-people.

Tribunals of commerce.

Systems of commercial arbitration.

Patent laws and the encouragement of inventors.

Copyright laws.

Laws relating to bankruptcy.

Influence of tariffs on production.

The effects of bounties on production.

Schools of opinion on financial and tariff questions.

Legal protection to homesteads.

Systems of house tenure in cities.

Laws relating to corporations and companies.

Limited liability of shareholders.

Laws relating to the sale of intoxicants.

Regulation by law or control by public authorities of public undertakings (*e. g.*, water, gas, electric lighting) and their economic effects.

Modes of land transfer and land registry.

Regulation of railways by law.

Working of railways by the state.

Systems of local rural government.

Systems of municipal government.

Methods of dealing with ecclesiastical endowments.

Methods of selecting candidates for public employment.

Development of fisheries.

State management of forests.

New branches of manufacture started in foreign countries.

It would be easy to suggest many other subjects, especially if the sphere of law proper were to be included, or that of science proper (*e. g.*, medical science or scientific inventions). The above touch on those matters which an inquirer may deal with on their social and economic side without minute special knowledge.

### *Summary of results.*

I may conclude by recapitulating briefly the conclusions to which the communications received by the foreign office and the foregoing examination of their contents seem to point.

The foreign office may seek to continue to be itself useful, and to utilize the services of those who act under its instructions abroad in the following directions:

Increased activity by diplomatists and consuls in affording information and help to Englishmen seeking to do business abroad.

Action (firm but cautious) by diplomatists in remote countries in counteracting the pressure used by the representatives of other States to push the mercantile interests of their countrymen.

More precise definition of respective duties of diplomatists and consuls in procuring information.

Prompter transmission of current commercial news from abroad.

More regular transmission of annual reports.

Better arrangement and prompter publication of reports.

Publication in a special journal of current commercial foreign news.

Sending home of samples of goods and of foreign products for exhibition in commercial museums (when established) or otherwise.

Greater encouragement to members of diplomatic and consular services to master commercial questions, and better facilities therefor.

Appointment of two or three qualified persons to be sent abroad to report upon commercial and industrial questions of immediate interest.

I conceive that circulars may properly be issued to Her Majesty's diplomatic representatives and consuls, conveying to them the substance of the suggestions with regard to their duties, and impressing upon them the value attached by the foreign office to the rendering by them of all such services as they properly can render to British commerce, assuring them also that the foreign office itself will not cease to guide and assist all their efforts in this direction, by turning to the most prompt and efficient account such materials as they can supply, and rendering itself a more and more perfect channel of communication between them and the commercial community at home.

Considering that in most of the specific directions above indicated something is being done already, and in several nearly as much as can be done, the above suggestions may appear disappointing to persons who have been expecting great results from state action in the promotion of our foreign trade. That those who are suffering from the existing depression should look wistfully to the Government for help is not surprising. Under the changed conditions of the world, with telegraphs and lines of steamers everywhere, with some large markets closed by protective tariffs, with native dealers supplanting the old system under which British mercantile houses did business through their branches abroad, the competition to which our commerce is exposed is far more severe than at any previous time. We must face this, perceiving that

it was impossible under these changed conditions to retain the sort of monopoly which we practically enjoyed in many parts of the globe, and comforting ourselves with the knowledge that we are still far ahead of any other people.

But we must also admit that if our rivals have in some directions gained on us, this has been partly due to our own shortcomings. As we have neglected the technical training of our artisans, so we have done little to prepare by an appropriate education our young men for the career of commerce. There is no denying that the youths who go from Germany or Belgium to push their fortunes abroad in trade go better equipped than are our own in knowledge of languages and of the methods of business. They are willing to live more plainly than Englishmen will do, to work for smaller profits, to allow themselves fewer amusements. If they have less dash and enterprise than our countrymen, they have a steady tenacity and habits of systematic application not less valuable in the long run. They are more alive to the results attainable by attention to minutiae, and perhaps more keenly watchful of all such new facilities as the progress of science affords. Some of these disadvantages we may remove when once their existence has been realized; and it is rather by their removal than by any action on the part of Government that the maintenance of our commercial supremacy must be sought. The fabric of British trade was built up by the energy and self-reliance of individual men; it is the same qualities, supplemented by the knowledge and the training which have now become necessary, that are needed to maintain it.

Not the less, however, is it the clear and constant duty of the Government, which holds in its hands the threads of a vast organization stretching over the world, to do all that it legitimately can to further the interests of our commerce.

This is not likely to be forgotten by the foreign office, which has the best reason to know how wide is the range of our commercial relations, and how much strength and influence they give us. Manufacturing industry at home and commerce abroad are, and seem likely long to remain, the chief sources of our prosperity; the chief means by which this little country holds her splendid place in the world and has become the most potent of its civilizing forces.

JAMES BRYCE.

FOREIGN OFFICE, *July 17, 1886.*

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No. 2.

*Mr. Bryce to Mr. Calcraft.*

FOREIGN OFFICE, *July 27, 1886.*

SIR: The board of trade are doubtless aware that, with the view of ascertaining what further assistance can be rendered by Her Majesty's diplomatic and consular officers abroad to British subjects engaged in trade, it was thought desirable to invite suggestions from various commercial bodies in this country to guide Her Majesty's Government in dealing with this delicate and difficult subject.

The correspondence, which, by the desire of the secretary of state, I inclose herewith, embodies the recommendations which have been received in reply, with comments from some of the most experienced con-

sular officers. Together with the correspondence you will find a memorandum which I have drawn up on the subject.\* I also subjoin the draft of a letter which, with the board's concurrence, it is proposed to address to chambers of commerce and other commercial bodies who have been in communication with this department upon the subject.†

I am directed to say that Lord Rosebery will be glad to learn, at their earliest convenience, the opinion of the board on the views and suggestions contained in these papers.

I am, &c.,

J. BRYCE.

No. 3.

*Mr. Calcraft to Mr. Bryce.*—(Received July 30.)

BOARD OF TRADE, LONDON, *July 30, 1886.*

SIR: I am directed by the board of trade to acknowledge the receipt of your two letters of the 28th instant relating, respectively, to the trade journal proposed to be issued by this department and to the general question of the assistance that Government can render to British trade abroad, respecting which you inclose copies of recent correspondence and of a memorandum which you have written upon the subject, together with the draft of a circular which the Earl of Rosebery proposes to issue to the chambers of commerce upon these subjects.

Before proceeding to offer the observations of the board of trade on the views and suggestions contained in these papers, and especially in the proposed circular, in accordance with Lord Rosebery's request, I am to acknowledge with special thanks the valuable co-operation which has been received from the foreign office in matters relating to trade during Lord Rosebery's term of office.

With regard to the proposed trade journal, I am to request that you will thank Lord Rosebery for the help promised by the foreign office in your letter, in the way of supplying information, and also in advising what can be usefully published.

Turning to the draft letter to the chambers of commerce, the board of trade would make the following observations *seriatim* upon the suggestions contained therein:

1. The board of trade quite concur in Lord Rosebery's opinion on this matter. The new trade journal is about to be issued by this board, as being the department which possesses all the available information respecting trade at home and abroad, and the board trust that this publication will contain not only notices of tariff changes and general commercial legislation, but will also treat of home and foreign trade generally.

2. The board of trade are disposed to think that the patent office library might be utilized so as to be available to the public for consulting tariffs and blue books; but this is a matter which will require further careful consideration.

3. The board of trade agree with the foreign office that it would be impracticable for consuls to combine the charge of these show-rooms with their other duties.

\* No. 1, *ante*.

† See No. 4, p. 23.

They are aware that United States consuls occasionally exhibit specimens of American ware at their consulates; but it must be remembered that American export trade is much more limited in quantity and variety than British, and it would be manifestly impossible when, as in this country, there are about 3,000 branches of manufactures, to represent adequately the variety of products in the way proposed.

4. The board of trade agree with Lord Rosebery both as to the expediency of the museums being kept up by the commercial communities, and assisted by Her Majesty's officers by the supply of specimens. There is no doubt as to the advantage of such museums, and as to the valuable aid which consuls could render in furnishing specimens.

5. The board of trade propose to publish in the journal notices of projected as well as actual tariff changes, as they see no inconvenience in doing so if the stage of the bill or project is clearly stated. It is often of great importance to merchants and manufacturers to have the information of approaching changes.

6 and 7. The board of trade concur with foreign office, and in (8) also. The ministerial and judicial duties of consuls are of great importance. They think, moreover, that it is desirable to offer special encouragement to such of Her Majesty's representatives abroad as furnish reports best calculated to give useful information to the commercial community.

9. The board of trade agree to.

10. Is connected with the publication of the journal. If this document, which is now proposed to be published monthly or oftener, should, as the board of trade hope, come to be a weekly publication, abstracts or short reports of Her Majesty's officers abroad will reach the public very quickly in this way.

11. This board agree with the foreign office. They are likely to make heavier demands on the foreign office in this respect in connection with the new labor bureau.

12. The board of trade agree with foreign office.

13. The board propose to publish changes of classification in the journal, as these are often quite as important as changes in the tariffs themselves.

14. Is a matter which concerns foreign office more than board of trade.

15 to 17. The board of trade concur generally with foreign office.

18. The board of trade are strongly of opinion that this is not a matter on which Her Majesty's representatives should express any opinion.

19. This must be considered in conjunction with the size and scope of the new journal as a compendium of trade information.

20. The board of trade quite agree with foreign office, that the consuls should take no part in litigation in these cases.

21. The board of trade consider that it might often be useful to have a list of special firms engaged in leading industries who should be consulted by the commercial departments of the two offices whenever required, and they cannot recommend too strongly the expediency of close personal communication between the two departments themselves whenever any commercial arrangement is contemplated.

22. Besides the reasons given by the foreign office, with which this board agree, they consider that direct communication between the consuls and the chambers of commerce would often involve the foreign office and board of trade in very serious complications.

23 and 24. The board of trade agree with foreign office.

In conclusion, the board of trade desire me to express a hope that the efforts now being made by the various departments of Her Majesty's Government to assist trade in every legitimate way may meet with suc-

cess and receive the hearty approval and co-operation of the commercial and industrial communities, on whom the prosperity and welfare of this country so largely depend.

I have, &c.,

HENRY G. CALCRAFT.

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No. 4.

*Letter addressed by Mr. Bryce to chambers of commerce and commercial associations of the United Kingdom.*

FOREIGN OFFICE, July 31, 1886.

SIR: I am directed by the Earl of Rosebery to acquaint you that [\*since the date of my former communication to you of the 4th March last] Her Majesty's Government have given their most careful and earnest consideration to the question of the further assistance which Her Majesty's diplomatic and consular officers can properly render to British subjects engaged in foreign trade.

With this object in view, Lord Rosebery directed that a selection of the more important suggestions that had at various times been made to him should be submitted for the observations of those of Her Majesty's consuls who resided at posts where it was considered that the best opportunities existed for forming a valuable opinion.

Their replies will be found in the printed correspondence which I am now directed to inclose for your information, together with other correspondence relating to the same subject.

Lord Rosebery has little doubt but that the statements of facts made in these answers, as well as the general consensus of opinion which pervades them, will satisfy the chambers of commerce of the United Kingdom that both Her Majesty's diplomatic and consular representatives have striven in the past to promote the commercial interests of their countrymen abroad; and that what is now chiefly needed to secure their fuller co-operation in any new direction, and stimulate their action generally, is some clear indication of the lines on which they can properly act consistently with their own position and the dignity of the country whose accredited agents they are.

It may, therefore, be most convenient in the first place to summarize the most important suggestions which have already proceeded from yourselves and others, and, by dealing with each one separately, to endeavor to show how far they are capable of being put into execution.

1. *The publication of an official commercial paper, setting forth tariff changes, movements in foreign markets, foreign commercial legislation, port and harbor regulations, &c.*

Lord Rosebery understands that it is the intention of the board of trade shortly to issue a periodical of the nature proposed.

To be of real value such a journal should, in his lordship's opinion, embrace items of interest relating not only to foreign, but also to colonial and Indian trade. Such being the case, it is obvious that the work could not have been satisfactorily undertaken by the foreign office alone, though that office may supply a large part of the materials to be used in it; and it appears to be most convenient that the board of trade, to

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\*To the Association of Chambers of Commerce and others mentioned in foot-note to No. 22 (Part 1) only.

whom all available information relating to manufactures and commerce is referred by the other departments, should undertake the publication of this journal.

2. *The establishment of an office in London where tariffs, circulars, items of commercial news, &c., can be referred to by the public, who may inspect and copy.*

This suggestion is one upon which it hardly comes within the province of the foreign office to pronounce an opinion, and it will be necessary to consider, if it be adopted, whether effect should be given to it by the Government, or whether the commercial community should not themselves take the initiative in creating such an institution. Lord Rosebery can, however, assure you that the foreign office will, at all times, be ready to afford such assistance as it can to insure the successful working of such a center of information.

3. *That sample and specimen rooms should be attached to the principal consulates abroad, where various classes of British manufactured goods might be kept on view, and that the expense of maintaining such sample rooms should be met by fees to be fixed by an order in council.*

This, again, is a proposal which would require much careful consideration, for it would not only largely increase the work of our consuls, but might tend to put them in the position of commercial agents—a position inconsistent with their official duties. Although consuls might, without impropriety, give their advice and countenance to the establishment of sample-rooms, the maintenance and management of such rooms, whether at home or abroad, would rather seem to devolve primarily on the commercial community, which, through chambers of commerce or other bodies possessing special knowledge, could best manage them.

4. *That commercial museums of foreign manufactured goods and products be established in well-chosen centers in the United Kingdom, as also exhibitions of British goods to be opened at foreign ports, or sent in vessels from place to place.*

The last preceding observations apply to this suggestion with equal force. The cost of such museums or exhibitions ought, it is conceived, to be borne by those for whose benefit they are created, but Her Majesty's officers abroad would be instructed to do everything in their power to procure materials for exhibition therein.

5. *That changes in foreign tariffs should be made known more rapidly than heretofore, and that projected changes should be promptly reported.*

The existing instructions have for years past provided for this, so far as concerns the transmission home of a change actually made. It is not generally the duty of the consul, but rather of the ambassador or minister at the capital where the information is promulgated, to transmit it immediately.

As to "projected changes," Lord Rosebery conceives that great caution would be needed in publishing officially any information that does not record accomplished facts, as he considers that if a minister were to report a projected tariff change, believing it likely to be effected, and such change were, for some cause or other, never carried out, after having been publicly announced in this country as probable, great inconvenience might be occasioned to persons interested. As regards the prompter dissemination at home of intelligence of change actually made, the matter is receiving attention, and the Board of Trade periodical publication already referred to will afford a convenient channel of communication for the purpose.

6. *That Her Majesty's diplomatic and consular officers abroad should use their best efforts to place British subjects on a not less favorable footing than foreigners in search of concessions or other commercial enterprises.*



With regard to this matter, you may refer to the printed correspondence inclosed, from which it will be seen that instructions in this sense have already been sent to Her Majesty's diplomatic representatives abroad. The dispatches from Sir R. Morier, Sir E. Thornton, and Sir E. Monson, of the 22d April, 1st May, and 8th January, respectively, have, however, an important bearing on this question. They show the limitations which must be imposed on diplomatic action of this nature, and Lord Rosebery believes that the force of their observations cannot fail to be appreciated.

7. *That any such enterprises should be at once reported home by Her Majesty's representatives.*

Instructions in this sense have already been issued.

8. *That consuls be chosen from men possessing commercial qualifications and technical knowledge, and that commercial clerks should be appointed to all consulates.*

This is a matter that requires, and is entitled to receive, further and careful consideration, as does any other practical proposal for increasing the efficiency in commercial matters of the consular service; but it must be borne in mind that the duties and qualifications required of consuls are both numerous and varied, and that commercial matters constitute a part only of their work.

With regard to the appointment of commercial clerks, it must be remembered that the consuls have to select their own clerks and have to pay them out of their office allowances. Many, no doubt, do employ commercial clerks, but to insist upon their all doing so would lead to a very large increase of expense.

9. *That the names and addresses of consuls abroad and their office hours should be made public.*

Information respecting the above is to be found in the foreign office list and the official directories; and the attention of Her Majesty's consuls shall be called to the point, in order that full publicity on the spot may be secured.

10. *That trade reports should appear more frequently and regularly, and that copies of them should be sent to trade journals.*

Trade reports will in future be published separately as soon as they have been received, and all possible promptitude will be used in obtaining them. They are sent as soon as they appear to chambers of commerce and the leading newspapers.

11. *That diplomatic and consular reports should give fuller details on the industry and the condition of the working classes.*

Increasing attention has been of late years paid in official reports to these subjects, and the importance of procuring full information regarding them will not be lost sight of.

12. *That samples of goods be sent home with the reports.*

Instructions have already been sent abroad to many of Her Majesty's consuls to forward samples of the manufactured goods chiefly in demand in the countries where they reside.

13. *That changes of classification of goods be noted, and decisions of commercial tribunals reported.*

This is already done, but the attention of consuls shall again be called to the point.

14. *That commercial attachés be appointed to embassies and legations.*

This suggestion was fully discussed in a debate in the House of Commons last session. Its adoption would involve considerable expense, and until more powerful reasons can be shown than those hitherto adduced on behalf of such a proposal, the secretary of state cannot pro-

nounce in its favor. You will find the arguments respecting it considered in a memorandum which will be printed in the papers to be laid before Parliament.

15. *That consuls should assist in recovering debts, and recommend trustworthy lawyers and accountants.*

Consuls frequently give such assistance as far as their position permits, but, as their support is very apt to be asked for unjust or fictitious claims, no general instruction can be given on the subject. Moreover, their interference in litigation is obviously a matter of much delicacy.

16. *That consuls should report what means other countries adopt to push their trade.*

This they already do, and will no doubt continue to do.

17. *That consuls, when at home on leave, should visit centers of British manufacture and acquire technical knowledge.*

This suggestion has already been acted upon in several cases, and consuls will be encouraged, in certain cases, to pay such visits. At the same time it is fair to bear in mind that a consul's leave is his holiday, and it would not be reasonable to insist upon his devoting his leisure to work of this nature. If such a practice were made generally obligatory, questions would arise regarding the extension of consular leave and the incurring of considerable additional expenditure, neither of which courses the secretary of state, as at present advised, is satisfied it would be politic to adopt.

18. *That they should report on the solvency of foreign business houses, and how far credit may safely be given.*

Lord Rosebery sees great difficulty in the practical application of this suggestion, for reasons which must be obvious to all business men.

Such a course might open a door to all kinds of misapprehension, complaint, and possibly even litigation, and is one which cannot properly be made the subject of any general direction.

19. *That a special department of the foreign office be charged with the prompt collection, publication, and diffusion of important information concerning commercial and industrial affairs.*

These duties, so far as they fall within the sphere of the foreign office, are already discharged, and, it is believed, in a manner satisfactory to the commercial community, by its commercial department. The new arrangements which are now being made for the better arrangement and speedier publication of reports, taken in conjunction with the periodical about to be issued by the Board of Trade, will (it is hoped) have the effect of giving effect to the wishes expressed for a somewhat prompter publication of commercial intelligence.

20. *That Her Majesty's consuls should act as quasi public prosecutors in cases of trade-mark infringement, &c.*

This duty is one which, in Lord Rosebery's opinion, could not be properly assigned to Her Majesty's consuls, being, as it is, essentially the work of not only a lawyer, but a lawyer possessed of special technical knowledge of such matters. Consular officers could not be expected to execute the function with satisfaction either to themselves or to those whose interests they might be attempting to represent.

21. *That the commercial department of foreign office be assisted by a council of advice, to be composed of persons chosen from the chambers of commerce, and that it should work in co-operation with a similar department in the colonial and India offices.*

It is already the practice of the commercial department of the foreign office to consult chambers of commerce and other commercial bodies on matters in which their opinion may be of value or assistance. It would

not add to the freedom or facility of these communications to add a further organization to the public offices indicated.

22. *That consuls should be placed in direct communication with chambers of commerce.*

This would overtax the consuls, who could not keep up two or more sets of communications. Such inquiries can be, and are, conducted through the foreign office with, it is believed, general satisfaction to the interests concerned.

23. *That consuls should cultivate a "closer personal touch" with traders in their district.*

This suggestion is too vague to be capable of embodiment in specific instructions, but the foreign office has every reason to believe that the general wish of consular officers is to be in close and cordial relations with the British commercial community in which they are placed. Such has long been the spirit of the instructions they have received from the department.

24. *That consuls be allowed to pay for early statistical information.*

It is not possible to lay down any general rule upon this subject, but each application will, as hitherto, be considered upon its merits, with due regard to economy. In some cases the expenditure may properly be allowed, but it is obvious that if a general authority were given to Her Majesty's consuls to purchase statistics at the public expense, a very heavy annual expenditure might be incurred, over which it would be difficult to exercise any control.

In addition to the above suggestions, the shipping community have urged the earlier communication of quarantine intelligence, and arrangements have accordingly been made\* for the more prompt transmission home of foreign quarantine regulations and restrictions, and for their daily transmission through the board of trade to Lloyd's and to the Mercantile and Shipping Gazette. By this means the insufficient publicity which has been thought to arise from the fact that such notices have hitherto been published only twice a week in the London Gazette will for the future be avoided.

Various charges have also been directed to be carried out in the publication and classification of the reports issued by the foreign office, which will, it is hoped, render them more generally useful to the commercial community, and secure from the public a larger and fuller appreciation of their substantial merits.

The above observations, as well as the correspondence sent herewith to you, and the memorandum and other papers which will shortly be published, will, Lord Rosebery trusts, lead you to recognize that his lordship has gone as far as he properly can at present with a view to carrying into effect such of the proposals submitted to him as are practicable and reasonable. Some of them have been already anticipated by existing instructions, while as regards those which do not appear capable of adoption at present, he feels satisfied that the reasons given above will suffice to show why they are not deemed feasible.

It is not within the province of this letter to discuss how far British merchants and manufacturers can assist themselves in the development of their trade with foreign countries; and it is obviously impossible for a government to take the place of individuals and undertake work which should properly be left to, and can better be discharged by, private enterprise. Her Majesty's Government can only to the best of their power carry out the plans which occur to or are brought before them by which British agents in foreign countries can legitimately

\* See Appendix A, p. 83.

assist British traders. They are fully prepared to do so, both by the selection of the most competent men as their officers, and by instructing and encouraging them to lose no opportunity of reporting intelligence of value, of assisting by information and advice their countrymen abroad, and of suggesting means by which in their opinion British trade can be promoted. Much has already been done in this direction, and if more can be done, this can be effected only by the active co-operation and assistance of the commercial community, who have the best means of knowing in what form the help they desire can best be given.

All practical suggestions will be welcome, and every effort will be made to turn them to account. But it must be remembered that official action has its legitimate sphere, that there are kinds of assistance which, however beneficial they might prove to individual traders, cannot be given by public officers without risk, not only to their own character and position, but even to the dignity of the Government they serve.

It must also be remembered that every addition to a consul's duties, and every report compiled, posted, and published, causes an increase of expenses which have to be defrayed from public funds; and that it is the duty of the secretary of state to take care that no serious permanent increase is made to the estimates except in accordance with the deliberate desire of Parliament, and to maintain a clear distinction between what are essentially public and merely private interests.

I have only in conclusion to add that Lord Rosebery is confident that by the full discussion and consideration which the matter has now received the energies of Her Majesty's agents abroad will be still further stimulated, while the steps now taken by this department, and to which I have already referred, will tend to the permanent benefit of British trade.

I am, &c.

J. BRYCE.

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No. 5.

*Circular addressed by the Earl of Rosebery to Her Majesty's representatives abroad.*

FOREIGN OFFICE, July 31, 1886.

SIR: You are doubtless aware, from the frequent discussions which have lately taken place, that the question as to what further assistance, if any, can be rendered by Her Majesty's diplomatic and consular officers abroad to British subjects engaged in trade, and to commercial enterprise generally, has for some time past been engaging the earnest consideration of Her Majesty's Government.

In the spring of the present year various representations were addressed to this office by persons interested in the question, but in order the more fully to elicit the views entertained by the commercial classes on so important a question, I directed that a letter should be addressed to the association of chambers of commerce, as well as to other leading chambers not incorporated with the association, inviting them to submit any practical suggestions they might think fit to offer. Their replies, together with the earlier representations referred to, will be found under the headings I and IV of the printed correspondence inclosed.

It will be seen that most of these recommendations were directed to the manner in which the consular corps, more particularly, might render

greater assistance than hitherto to British merchants. I accordingly gave directions that a selection of these proposals should be forwarded to the consular officers resident at the ports where the best opportunities exist for forming a sound opinion, in order that they might submit any remarks they had to offer on the possibility of carrying them into practical effect. Their replies, in which I may observe that there exists a remarkable unanimity of opinion on the chief questions of principle involved, will also be found in the printed correspondence.

I have to call your attention to the memorandum which has been drawn up by Mr. Bryce, and which deals with the various representations which have been made on this subject.

Lastly, I inclose, for your information, a copy of a circular letter that has been addressed to the commercial bodies whose suggestions were invited, and of the correspondence which has passed between this department and the board of trade. This letter will place clearly before you the views of Her Majesty's Government on these questions, and on the practicability of the plans proposed. They are indeed anxious that every assistance that British traders can reasonably ask for should be rendered to them by Her Majesty's diplomatic and consular agents. They observe with pleasure, but without surprise, from this correspondence, that members of both services displayed the greatest readiness to afford their hearty co operation in attaining the object in view. All that is therefore needed is a continued activity, not only in pursuing the methods hitherto adopted, but in discovering any others that can legitimately be employed.

It is obvious that a matter of such importance cannot be deemed to have been finally disposed of during the comparatively brief consideration that Her Majesty's Government have been able to bestow upon it. Action must, moreover, be manifestly regulated by considerations of time and place. It is, therefore, not merely difficult but inexpedient to attempt to lay down hard and fast rules for handling such questions. You will, however, find sufficient indication of what it is possible and expedient to do at once, as well as of the views of Her Majesty's Government on the whole question, in the memorandum and correspondence herewith inclosed. The principles there stated are, it is believed, those on which the diplomatic and consular action in commercial matters of this country has generally proceeded; and you will, in following those lines, be able to dispel any misapprehensions that have existed among the mercantile community as to what is being done and can be done by members of your service for their benefit. They will, it is hoped, be satisfied, by what has been said and by the directions given, that there exists an earnest desire on the part of Her Majesty's Government to accord to British enterprise all the assistance it can properly receive, and that nothing will be wanting on your part to carry out this purpose with zeal and judgment.

I am, &c.,

ROSEBERRY.

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No. 6.

*Circular address by the Earl of Rosebery to Her Majesty's consuls.*

FOREIGN OFFICE, July 31, 1886.

SIR: You are doubtless aware, from the frequent discussions which have lately taken place, that the question as to what further assistance, if any, can be rendered by Her Majesty's diplomatic and consular officers

abroad to British subjects engaged in trade, and to commercial enterprise generally, has for some time been engaging the earnest consideration of Her Majesty's Government. In the spring of the present year various representations were addressed to this office by persons interested in the question; but in order the more fully to elicit the views entertained by the commercial classes on so important a question, Lord Rosebery directed that a letter should be addressed to the association of chambers of commerce, as well as to other leading chambers not incorporated with the association, inviting them to submit any practical suggestions they might think fit to offer. Their replies, together with the earlier representations referred to, will be found in the printed correspondence inclosed.

A selection of the representations received was forwarded to the consular officers resident at the posts where the best opportunities existed for forming a sound opinion, in order that they might submit any remarks they had to offer on the possibility of giving practical effect to these suggestions. Their replies, together with the earlier representations referred to, will be found under the headings I and IV of the printed correspondence.

I am directed by Lord Rosebery to call your attention to a memorandum which I have prepared, and which deals with the nature of the complaints made respecting and the means which have been suggested for the improvement of the existing practice, and also to draw your attention to the circular letter to the association of chambers of commerce and other commercial bodies, and to the correspondence which passed between this department and the board of trade on the subject. This circular letter will place before you clearly and categorically the views of Her Majesty's Government respecting the extent to which the various suggestions that have been submitted to them can be adopted. I may call your attention in particular to what is said in that letter with reference to the suggestions numbered 3, 5, 7, 9, 11, 13, 16, and 23.

You will gather from this correspondence that the board of trade concur in a suggestion which was made on behalf of this Office by myself at the annual meeting of the associated chambers of commerce in February last, and have determined to publish monthly an official commercial paper. It is not contemplated that this publication should in any way interfere with the annual trade report, which it is at present part of your duty to prepare, but it is very desirable that items of commercial interest, in the form of short notes, should be from time to time forwarded by you to this office in dispatches. Such information could be conveniently disseminated by means of this new periodical, and with greater rapidity than if it were held back till all the material necessary for the annual report were available. There is no reason why such information should not, however, be ultimately incorporated in your annual report.

Among such items you will, of course, continue to mention, as directed by the existing instructions, any contracts or concessions for which British subjects may compete with hope of success.

With regard to your annual trade reports, Lord Rosebery feels confident that you will recognize the importance of preparing them at as early a date as possible after the termination of the period on which you are reporting. His lordship is well aware of the difficulties which Her Majesty's consuls, in certain countries, experience in consequence of the delay in the publication of official statistics. In many cases it may be better to report without awaiting these statistics; but if you find

yourselves involved in an inevitable delay you will do well to mention in your report the causes which have led to it.

In other respects his lordship believes that existing instructions, if carefully attended to, are sufficient for your guidance. Arrangements have been made for the immediate publication in this country of all reports, both diplomatic and consular, annual and miscellaneous, as separate papers out of, as well as during, the Parliamentary session.

With regard to the transmission home of patterns and samples of goods mentioned in your trade reports, you will find in the correspondence an instruction which has been issued to Her Majesty's consular officers in some of the more remote countries. The principle is one which may with advantage be encouraged generally, when any special advantage is likely to accrue; but care should, of course, be taken to incur no considerable expenditure on this account without previous sanction from the secretary of state.

You will gather from the correspondence that Her Majesty's Government are anxious that every assistance that British traders can reasonably ask for should be rendered to them by Her Majesty's diplomatic and consular agents. They observe with pleasure, but without surprise, from this correspondence, that members of both services displayed the greatest readiness to afford their hearty co-operation in attaining the object in view. All that is therefore needed is a continued activity, not only in pursuing this object by the methods hitherto adopted, but in discovering any others that can legitimately be employed.

It is obvious that a matter of such importance cannot be deemed to have been finally disposed of during the comparatively brief consideration that Her Majesty's Government have been able to bestow upon it. Action must, moreover, be manifestly regulated by considerations of time and place. It is therefore not merely difficult, but inexpedient to attempt to lay down hard and fast rules for handling such questions. You will, however, find sufficient indication of what it is possible and expedient to do at once, as well as of the views of Her Majesty's Government on the whole question, in the memorandum and correspondence herewith inclosed. The principles there stated are, it is believed, those on which the diplomatic and consular action in commercial matters of this country has generally proceeded; and you will, in following those lines, be able to dispel any misapprehensions that have existed among the mercantile community as to what is being done and can be done by members of your service for their benefit. They will, it is hoped, be satisfied, by what has been said and by the directions given, that there exists an earnest desire on the part of Her Majesty's Government to accord to British enterprise all the assistance it can properly receive, and that nothing will be wanting on your part to carry out this purpose with zeal and judgment.

I am, &c.,

ROSEBERY.

## CORRESPONDENCE RESPECTING THE QUESTION OF DIPLOMATIC AND CONSULAR ASSISTANCE TO BRITISH TRADE ABROAD.

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### I.—VARIOUS COMMUNICATIONS ADDRESSED TO THE FOREIGN OFFICE RESPECTING DIPLOMATIC AND CONSULAR ASSISTANCE TO TRADE, WITH REPLIES.

No. 1.

*Mr. K. Murray to the Marquis of Salisbury.*

[The London Chamber of Commerce, 84 and 85 King William street.]

LONDON, *February 5, 1886.*

MY LORD: The executive committee of the London Chamber of Commerce, on behalf of its East India and China trade section, has the honor to address your lordship regarding the position of British subjects engaged in trade and commerce in foreign countries, compared with that occupied by Germans, the French, and Americans, and other nationalities who enjoy the privilege and the advantage of being supported in their trade negotiations by the ministers of their several countries.

It has long been the rule of Her Majesty's foreign office to decline to sanction any support being given by British ministers at foreign courts, or by British consuls, to the merchants and traders of Great Britain in respect of matters of trade between them and the Governments or subjects of those countries in which they are resident.

The executive committee beg, however, respectfully to draw your lordship's attention to a great change which has taken place during recent years in the foreign trade of other countries, partly owing to the opening of the Suez Canal, in the matter of competition in our Eastern trade by the merchants of the Continent, and to the undoubted facts that these merchants are assisted in their undertakings by the moral, and frequently by the active personal, support of their ministers.

At a time when the Chinese Government is engaged in providing armaments on a large scale, and is known to contemplate large expenditure for railway and other industrial undertakings, it is of the utmost importance, in the interests of British trade, as well as of the merchants who have at much expense established themselves in China, that they should have the firm support and assistance of Her Majesty's representatives at Peking. If this is withheld from them, there is great risk of one of our most valuable trades, at a time of special activity, passing to a large extent into the hands of Germans and Americans; and the executive committee respectfully request that your lordship will, without delay, issue instructions in this sense to Her Majesty's chargé d'affaires at Peking.

The executive committee feel strengthened in placing this matter before your lordship by the statement made in the House of Commons



by Mr. Bourke, the late under-secretary of state, last month, to the effect that Her Majesty's Government "would always be very glad to give such support as may properly be given to gentlemen engaged in commercial affairs."

The same influences, adverse to British trade, are in operation in Indo-China, Japan, and other Eastern countries, and the executive committee, and more especially its East India and China trade section, feel it to be their duty, in the interests of British merchants and manufacturers, to ask your lordship to take such steps as will afford to our traders that support from Her Majesty's Government, in the prosecution of their commercial enterprise, to which they consider they are entitled, owing to the peculiar position in which they are placed in consequence of the extreme activity of foreign Governments.

I am, &c.

KENRIC B. MURRAY,  
*Secretary.*

No. 3.

*Sir P. Currie to Mr. K. Murray.*

FOREIGN OFFICE, *February 22, 1886.*

SIR: With reference to the paragraph in your letter of the 5th instant, in which it is stated that "it has long been the rule of Her Majesty's foreign office to decline to sanction any support being given by British ministers at foreign courts, or by British consuls, to the merchants and traders of Great Britain in respect of matters of trade between them and the Governments or subjects of those countries in which they are resident," I am directed by the Earl of Rosebery to point out to you that the London Chamber of Commerce does not seem to be fully aware of the facts of the case.

It is expressly laid down in the general instructions for Her Majesty's consular officers that "it is the duty of consular officers to protect and to promote the lawful trade of Great Britain by every fair and proper means, and to uphold the rights and privileges of British merchants." These instructions have been in force for many years. Her Majesty's diplomatic representatives act in a similar manner in commercial questions which affect the trade interests of this country. But the secretary of state cannot give the support of Her Majesty's Government to commercial or industrial undertakings, or to applications for concessions from a foreign Government, where he is unable to form a correct judgment as to the soundness or practicability of such enterprises. Within the limits that this office can properly act in these matters, aid is constantly afforded to British merchants and ship-owners, and in many instances this assistance is very fully acknowledged. If the London Chamber of Commerce can adduce specific instances in which there has been neglect of British commercial interests on the part of British diplomatic or consular representatives abroad, Lord Rosebery will give his best attention to any such representations which the London Chamber think fit to make. I am to request that these complaints may not be brought forward in general terms, but that full statements of the circumstances may be made in order that due investigation may take place.

## No. 4.

*Sir J. Behrens to Mr. Bryce.*

BRADFORD, March 3, 1886.

SIR: In fulfillment of my promise, I beg to offer a few suggestions as to the great service which our consuls and consular agents might render to our foreign trade.

They should be directed to obtain from the local authorities, the press, and all other available sources, the earliest and best information on all matters connected with trade and industry, and to transmit that information home for immediate communication to the commercial public.

The matters to which the attention of consuls is to be specially directed are the following:

1. Important schemes and undertakings emanating from Governments, public bodies, or joint-stock companies, in the execution of which English capital or industry might participate, or our trade and shipping be directly or indirectly interested.

To name only a few of the most important of such undertakings, I may mention: Public and municipal loans, banks, railways, mines, tramways, gas, drainage, harbors, canals, docks, lines of steamers, &c.

2. Of equal importance is the immediate transmission of information on—

(a) Any change in the tariff, whether yet under consideration or already officially announced.

(b) Any change in the classification of articles from that now adopted, explaining at the same time whether that change is the result of new distinctions made by custom-house officials, by experts, or by ministerial instructions. The earliest information on changes of this kind is of the greatest importance, as it enables the aggrieved party either to obtain redress by an appeal to a higher authority, or to avoid seizure, fines, and surcharges, by adopting his transactions to the new regulations.

(c) It is understood that similar information is to be obtained and immediately transmitted on all matters connected with shipping.

Further, that the consuls' attention should be directed to and reports required of—

(a) Changes in the mode of transport by sea, by canal, or by railway.

(b) The rates of carriage of goods, especially on all routes serving our imports and exports, and on all modes of conveyance which indirectly compete with our railways and ships.

(c) The laws regulating trade and industry, such as factory, mines, and shipping laws, bounties, bankruptcy, &c.

(d) Decisions of tribunals on important commercial cases.

(e) The expected or realized results of the annual produce of all articles imported into the United Kingdom for consumption or manufacture.

(f) Statistics, postal facilities, banking, monetary.

(g) Reports on all popular movements and important discussions on these and cognate subjects.

\* \* \* \* \*

The whole country is anxious for the opening of new markets, and it is in this direction that our consuls in such countries as Africa and Asia might render invaluable service to our trade by reporting information as to the produce and wants of the people they live among. That information should be accompanied by samples, patterns, prices, state-

ments of cost, and means of transport, &c., so as to be trustworthy guides to the enterprising British merchant, whose pioneer the consul should be.

Foreign consuls have been very active in sending home such reports and well-selected patterns, to furnish their industrial museums, which have proved of great benefit to continental industry.

Our German rivals have thus been able to obtain a first footing, if not a monopoly, of the trade, in several important countries, as, for instance, in Zanzibar, where English traders may now find it not so easy to succeed as if they had been efficiently supported from the beginning by information accessible to all.

In answering to the question how that information is to be made available, I beg to observe that the board of trade possesses already an immense mass of information, which it is ready to communicate to inquirers, but of which the general public ignores even the existence.

Here, again, we might learn something from our neighbors, who, in their "*Annales du Commerce Extérieur*," possess a most useful record of all matters connected with foreign trade.

I venture to propose that a weekly publication be issued by the board of trade on a similar plan to that of the French periodical.

While British ambassadors, ministers, and consuls would send material of the highest importance with reference to the foreign trade, the colonial and India offices would have to furnish equally useful information on our colonies and possessions.

If such a journal should be decided upon, I hope it will begin with a full account of all foreign and colonial tariffs, to be completed in successive numbers, giving English values of foreign measures and money.

This publication would form a most valuable record, saving a good deal of repetition when future changes have to be noticed.

Each year's number might form a volume, with an index attached.

The rare and mostly incomplete notifications on foreign trade which are now to be found in the *Gazette*, a paper which very few in trade ever see, might then be omitted.

To complete the improvement which I have ventured to suggest, a trade museum would have to be established in London, from which local museums might obtain on loan or gift the articles most useful to their local industries.

I am, &c.,

JACOB BEHRENS.

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No. 5.

*Mr. T. Craig-Brown to Mr. Kennedy.*

WOODBURN, SELKIRK, N. B., *March 12, 1886.*

DEAR MR. KENNEDY: I duly received yours of the 6th, inviting any "practical suggestions I might have to offer as to what greater measure of support might be afforded to British trade by British agents abroad."

Taking it for granted that this inquiry is a sequence of Mr. Bryce's welcome speech at the associated chambers' banquet, in which he intimated an arrangement with the board of trade for the better dissemination of commercial intelligence from abroad, I respectfully venture to submit that, to be complete and efficacious, the arrangement ought to include the colonial and India offices also. The countries and sea-

ports where the foreign office has consuls are not, as a rule, those which present the best prospect of increased British trade. In many of them protective duties are likely to tell with increasing effect against imports from this country, and, as a matter of fact, our exports to these have of late shown a marked tendency to diminish. To India and to our colonists on the other hand, our exports have gone on increasing with gratifying regularity. It is therefore of paramount importance that British trade should preserve its Indian and colonial outlets against the insidious and formidable enterprise of foreign (particularly German) competitors. Both from India and from our colonies the German, French, and Belgian Governments receive voluminous and valuable consular reports, of which their traders have shown that they know how to take advantage. But our foreign office not having agents in such parts of our own Empire, we would require to get similar reports through another channel. The board of trade will doubtless be able to say from which officials of the Indian and colonial services it is desirable to obtain commercial information. From colonial agents in this country, or from colonial sources abroad, such information might have too much *couleur de rose*.

If these remarks seem beyond the limit of my commission (and I admit they are), you will not the less allow, I dare say, that they are germane to the matter. I am most anxious that the success should be assured of the steps you are about to take to further our trade interests abroad; and I feel that, desirable as it is to have reports like those from Mr. Strachey and Captain Clipperton from all our consuls in foreign countries, it is, if possible, still more exigent that we should have similar information from the more promising markets of our colonies and India. That would probably be enough to aim at in the mean time; but I would go further. I would enlist the admiralty in the work, and have reports from naval officers at distant stations where there is neither consul nor colony. Even to such expeditions as that of Her Majesty's ship *Challenger*, an officer might be attached capable of reporting any undeveloped opportunities for trade that might come under his notice. In short, every source of information should be tapped. Thousands of men with capital are eagerly looking out for reasonably hopeful enterprises in any part of the world. The diminished area of our own land under cultivation, and the semi-idleness of so many great industries, make it hopeless to look at home for a revival. Abroad lies the only opportunity, and I believe that reports such as the foreign office contemplates would reveal openings that are now hardly dreamt of.

Being without personal experience of business in foreign countries, I cannot venture to suggest what assistance might be rendered by consuls to British traders "on the spot." As to consular reports, the subject is too vast and the conditions too varied to permit of generalization. Perhaps the readiest and most effective plan would be to send to each consul a volume of model reports for imitation and example.

In addition to tabular statements to be sent home at least once a year, there might be frequent special reports, as occasion required. From countries publishing official statistics, these tabular statements should be sent immediately after the former had become available. Quickness is everything—in compiling, in forwarding, and in publishing. In case of considerable tariff changes, for example, consuls might be instructed to cable or telegraph particulars, the board of trade distributing the information immediately through the usual channels—the press and chambers of commerce. In order to get full value out of

them, blue books, containing commercial reports from abroad would have to be very widely distributed amongst the various trade organs and the other leading newspapers.

With this I venture to send the rough draft of a tabulated report, such as might be invited from consuls once a year. It is incomplete and tentative, but, containing as it does, all that has occurred to me in the short time I have been able to devote to it, it is at your absolute service for adoption, mutilation, or for rejection *sans phrase*. I may add that it has the approval of the president of our chamber and of such other members as I have been able to consult.

If I can be of further use, pray command me. I hope you will be heartily seconded by every trade organization and individual that can lend a hand to so good a work.

Believe me, &c.,

T. CRAIG-BROWN.

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No. 7.

*Mr. C. E. Bouasfield to Mr. Kennedy.*

LEEDS, March 14, 1886.

DEAR MR. KENNEDY: Referring to my conversation with you, and subsequently with Mr. Bryce, the other day, on the subject of the assistance rendered by Her Majesty's diplomatic and consular representatives abroad to British trade, at his request and yours I beg to submit the following observations:

1. It seems desirable that our representatives abroad should be informed that public opinion in commercial circles at home is strongly exercised by the fact of the increased and increasing competition of foreign manufacturers in almost all foreign and colonial markets. That in view of the great assiduity displayed by the consular agents of the principal manufacturing states of Europe, as well as of the United States of America, in sending home to their respective Governments frequent and detailed reports of the movement of trade in the districts to which they are accredited, and their well-known personal efforts to advance the exclusive interests of their own countries, increased vigilance and activity are incumbent upon all British representatives, in order that in every sense most-favored-nation treatment for British commerce may not only be a profession, but a reality.

2. To accomplish this end, our representatives might be recommended, where at all possible, to endeavor to keep a closer personal touch with British subjects trading in or to their districts, so as to be informed by them of any difficulties they may encounter, or disadvantages under which they may labor, as compared with foreign competitors. They should jealously note and fully report all concessions sought by or granted to other and rival nationalities. They might also be asked to give increased attention to the general movement of trade, to any changes in the sources of imports or direction of exports, and to take measures for obtaining reliable information as to new developments and requirements, or any facts or circumstances the knowledge of which might be useful, directly or indirectly, to the extension of British commerce. Further, they should be instructed to remit home with the least possible delay any information they may receive calculated to be of service to British merchants or manufacturers, without

waiting for the annual or even quarterly reports which they may be required periodically to make. In these days of rapid communication and frequent change information, to be of practical value, must be promptly given.

3. In order that information so received may as quickly as possible be placed before those whom it may concern, I cordially approve of the suggestion you made the other day, that a monthly or bi-monthly publication should be issued by the board of trade, a sort of "Annals of Commerce," in which should appear, as they arrive in time for publication, copies of or extracts from consular letters or reports, and any paragraphs or facts, properly authenticated, which might have commercial interest or value.

4. It would greatly increase their usefulness abroad if our representatives, when home on leave, had time and facilities given them to visit the manufacturing districts, obtain some little knowledge of the processes of manufacture, and talk matters over with merchants and manufacturers. Such a course would be very favorably regarded by the commercial community generally, and some valuable hints might be mutually given and received. In order to decide which centers of industry should be visited, each representative, while abroad, would have to inform himself as to the special requirements and tendency of trade in his own district. It might be announced in the board of trade publication above alluded to when such and such consuls would be in this country, so that any center of industry desiring to interview them might invite them to visit it.

5. Finally, I would observe that no branch of the public service, under present circumstances, could render more effectual assistance, within its own sphere, to British commerce than the diplomatic service; and I will venture to add that no acknowledgments or preferments will be more heartily approved by public opinion in this country than those which reward the faithful efforts of Her Majesty's representatives abroad.

Yours, &c.,

C. E. BOUSFIELD.

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No. 8.

*Mr. Birchenough to Mr. Bryce.*

MACCLESFIELD, *March 14, 1886.*

SIR: Referring to the conversation I had with you on the subject of "Consular Reports," I have ventured to draft a few suggestions of a more definite character than was possible in conversation.

The present reports are in many respects full, and their value is probably much underrated, because they are insufficiently known or studied by the commercial community. They appear, however, to possess the following defects:

1. The reports of secretaries of embassies and legations are too general to be of much use for strictly commercial purposes.
2. The reports of consuls and vice-consuls refer too exclusively to the movement of trade at foreign ports.

(In one instance, the information given too much resembles what used to be known as "political geography;" in the other, it too much resembles statistical tables of exports and imports.)

3. The Reports are not presented to the public in a sufficiently popular and usable form. This is, perhaps, one of the reasons for their being so little read.

What we want, instead of the present double system, are special periodical reports of consuls or consular commercial agents upon certain definite points of wide commercial interest. Such agents need not be in any way specialists, but they should have a general acquaintance with the chief English industries. For this purpose it would be well if they were encouraged to seize every opportunity of visiting the English industrial centers. It would be their duty to visit periodically the centers of production and consumption of the countries in which they are stationed, with a view to reporting upon—

(A)—*In countries which are our rivals as producers.*

1. The general condition, progress, and development of each important industry.
  2. The temporary condition of each important industry.
  3. Labor statistics and rates of wages in each important industry.
  4. All general facts of interest relating to industry. The development or otherwise of technical education, systems of apprenticeship, State aids to industry, direct or indirect, condition and habits of life of the laboring population.
  5. All matters relating to the working of tariffs.
  6. General condition of credit, or customary terms and modes of payment.
  7. Increase or decrease of exports by various industries to England, or to countries with which the English have large commercial relations (important).
  8. Increase or decrease of English imports, with probable causes.
- This does not pretend to be an exhaustive list. It indicates merely the kind of information which a consul could quite easily obtain, and which would be a real use to commercial men. The sum total of it would afford from year to year a pretty clear idea of the industrial progress of each of England's rivals, with a picture of the conditions under which that progress was being carried on. It would differ essentially from the special and particular information which private firms obtain for their own business purposes.

(B)—*In countries which are rather consumers of our products than our rivals in production.*

(The information which more especially falls under this head appears to be fairly well given in present consular reports.)

1. The general condition of the country, with special reference to purchasing power.
2. The general needs and peculiarities of the market.
3. The competition of other countries in the market, with general causes of their success or failure as competitors with the English (important).
4. All matters relating to the working of tariffs, especially if differential.
5. All general facts of interest relating to general credit, modes of payment, means of communication, &c.
6. In case the idea of commercial museums, such as are in process of formation in France and Germany, were adopted in England, it would

be the duty of consuls to obtain samples and information for such museums.

I would call attention to the fact that the character of the information suggested is more definite and pointed, and more practical in its bearing than the information which the consular reports at present contain. At the same time, it is general enough for it to be in the power of any man of ordinary business knowledge and ordinary industry and observation to obtain it. Its chief merit lies in the fact that it would make English commercial men acquainted with the progress of their rivals. No doubt some change in or slight addition to the present consular system would be rendered necessary, but the additional expense of any such change would not be very large. A body of men, or even the present consular staff, would soon be trained to obtain the materials for and to draw up such reports as are suggested. At first the information would be somewhat loose and incorrect, but it would rapidly increase in definiteness and accuracy as the men became more accustomed to their work. The reports would in a few years constitute a body of authoritative information as useful to manufacturers and to merchants as to trade societies and unions. They could never, of course, supply the place of individual and special knowledge of markets, but they would afford an excellent basis for and give sometimes a more prudent direction to private enterprise.

All foreign labor statistics, all information as to rates of wages, as to the conditions of foreign competition, would be of the greatest value in labor disputes in this country, as well as in the discussion of our general commercial policy. The growth of limited companies in England, involving, as such companies so often do, the substitution of a somewhat passive board for an energetic individual, is, perhaps, another reason for supplying the trading community with authoritative official information.

Not least important by any means is the form in which consular reports should be offered to the public. The present form is not sufficiently popular. The consequence is the reports, such as they are, are not read. It would be well to issue them collectively at fixed dates, carefully arranged and fully indexed, with general summaries, abstracts, or appreciations of the facts relating to each important industry.

They should be issued with the same attention to convenience of forms and arrangement as they would receive at the hands of any enterprising publisher who was issuing an important statistical handbook.

I am, &c.,

HENRY BIRCHENOUGH.

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No. 10.

*Sir J. Lee to Mr. Bryce.*

56 MOSLEY STREET, MANCHESTER, *March 31, 1886.*

MY DEAR SIR: When I had the pleasure of an interview with you I was asked my opinion of the desirability of appointing commercial attachés at the various foreign courts.

I think that such officials would be of no value to the commercial interests of the country, for this reason: The class of men who would be of use in such an office you could not obtain except at a great cost. Men who have an intimate and general knowledge of mercantile affairs



can use that knowledge to greater advantage to themselves by associating with some firm of merchants. And an official, educated ever so carefully in routine, without practical experience, would be a failure, and hamper the commercial department of the foreign office, as well as call forth a good deal of criticism from chambers of commerce and private firms.

As to consuls, I think that if their reports were published in an official gazette of commerce, with any other information useful to merchants and manufacturers, it would tend to encourage direct foreign trade.

Our foreign trade is nearly all in the hands of foreigners who are not natives of the country to which they ship; for example, the Mexican trade is in the hands of Frenchmen and Germans, and the Germans have two-thirds of the South American trade, and can, when they choose, transfer their connection to Germany. Lord Iddlesleigh asked me the other day, "Would you make our consuls into commercial travelers?" I said, "No, they would be of no use in such a capacity." But I do think consuls might be employed in sending home information as to the trade in their districts, viz, samples of large importations, patterns of textiles used in the district, information as to the products of the countries to which they are accredited, with value on the spot, probable freight tariff, showing at what value such products could be imported.

I inclose a circular issued by the United States consul-general.

I have no doubt if the Government established commercial museums as suggested by Mr. Kennedy a great good would result to the manufacturing interest of the country.

Yours, &c.,

JOSEPH C. LEE.

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No. 15.

*Messrs. ——— to the Earl of Rosebery.*

(Extract.)

MAY 28, 1886.

In common with other firms we experience considerable difficulty in securing suitable representation abroad, and we would suggest that at each consulate a registry should be opened, and invitation given to the local trade to enroll themselves as being open to take up agencies for English houses. All members of such consular commercial registers to have the moral guarantee of the British consul as to their *bona fides* and sound commercial position. A corresponding register might also be kept of English firms who are seeking agents in that particular district. The mutual arrangements would be negotiated direct, and would involve no trouble to the British consul.

2. In connection with each consulate an apartment should be opened to the public containing in neat and convenient volumes the catalogues of English firms arranged under the various branches of commerce. A fee might be charged in this case for each catalogue thus deposited.

3. We do not see that the diplomatic service could render much practical aid, beyond, perhaps, doing their utmost to promote the public discussion and propagation of free trade principles.

4. Both the services should as far as possible encourage the public to avail themselves of the accommodation suggested in clauses Nos. 1 and 2 hereof.

[Inclosure in No. 18.—Memorandum relating to consular trade reports.]

At the present time there are several kinds of trade reports issued from the leading mercantile cities of the world.

1. Reports issued by merchants, which relate to one trade only, and which are usually forwarded by every mail, say each week or fortnight.

The object of a report such as this is to give immediate particulars relating to the position and probable early future of whatever article is written about, and such reports almost invariably contain the opinion of the issuing firms as to the desirability of immediate purchases or sales of the article written about. This report is usually got up to send to the firms' correspondents, generally to avoid the labor of writing letters to each of them.

2. Reports issued by commission firms, which sometimes deal with several branches of the same or of similar businesses.

Like the first report, the object of this is to promote immediate purchases or sales, or at least to stimulate trade in the various articles, in order to furnish business to the firms which issue such reports.

3. Reports specially prepared and issued at fixed periods, usually once a year.

These reports are a survey of the previous year's business, with statistics for several previous years, and contain many details which cannot be given in ordinary weekly reports.

Some of these annual reports are confined to a single trade, such as the cotton report of Mr. Ellison, of Liverpool, and the wool report of Messrs. Helmuth, Schwartze & Co., of London. Others of them deal with several branches of the same or similar businesses.

4. Reports which are issued by commercial bodies, such as the chambers of commerce in Shanghai, San Francisco, and other places.

These are general reports, and are usually confined to statistical accounts of the position and particulars of actual business done in the staple articles imported and exported, and also in goods manufactured in the city or district, but without any forecasts of the future, and without giving opinions calculated to cause either buying or selling. These reports are usually prepared by the secretaries of the associations which issue them, and are, as a rule, written with much impartiality.

It is clear from the foregoing descriptions, which fairly cover the different kinds of reports issued, that a consular report cannot take the place of any one of the four kinds, and this fact will always limit the number of readers of consular reports; indeed, merchants at present very rarely see them, as they are generally published too late to be of much practical commercial value. The complaint of merchants that consular reports are issued too late to have any value has only a certain weight, as they can never supply the place of Nos. 1 and 2, nor can they be issued as soon as reports Nos. 3 and 4. Every consular report should deal with the statistics of the place, and this cannot, of course, be done until the statistics are published. These are sometimes obtained from official and sometimes from mercantile sources, but in any case the merchants or associations will have their annual reports (such as Nos. 3 and 4) issued before the consul could possibly have his sent home, printed, and ready for distribution; therefore the complaint of delay in issuing consular reports has no weight whatever so far as it means that these reports could be of any service to merchants in enabling them to judge as to the advisability of immediate trading operations. But, nevertheless, the complaint has some weight in so far that the delay in issuing is unreasonable, because, though consular reports can never take the place of the mercantile reports at present issued, they can and should supplement them in many ways. They should have a special value of their own, and, if so, it is obvious that they should be printed and be ready for distribution as early as possible.

A consular report might contain a great deal that is not in any of the four kinds described. It should be, of course, written with perfect impartiality, and considering that the consul has no interest whatever in buying or selling (I am now speaking of non-trading consuls), he is at liberty to state his opinion and forecast as much as he thinks proper of the future.

Another feature of the consular reports is that not only must the consul take a wider view than the merchant does, but he should note the changes in the course and extent of trades, and examine into the causes which produce these changes. For example, a merchant preparing a trade report in China or Japan will not expend the time to explain the causes which have led to the enormous increase in the consumption of Bombay spun cotton yarn (to the partial exclusion of Lancashire yarn) in these countries, which has in twenty years grown from nothing to an annual consumption of about 200,000 bales, and also, though the merchant will not deal with the causes which have led to the decay of trades (as there can be no profit resulting therefrom), this is all proper work for the consul to do.

A further difference between the two kinds of reports is that while the trade reports at present in use are nearly all confined to one or more trades (except those called

No. 4, which are issued by associations like chambers of commerce), a consular report from any place should deal with the whole business—import, export, and manufacturing—of that particular city, and also the trade of the district so far as it was necessary.

Another difference between them is that the consul in his report should note and explain all alterations in monetary and currency affairs in the country in which he lives. For example, the only place I know where an account is to be found of all the gold and silver money in circulation throughout the world, and amounts coined annually, is in the United States mint master's report, and he collected his particulars from about thirty United States consular reports. For such statistics we should not require to be indebted to the consular reports of another country. (On this point please refer to Consul Crawford's report on the trade of Oporto.) Mercantile trade reports give current rates of import and export duties, and also record the changes made from time to time, but they hardly ever touch upon the causes of these changes, but this the consul should not omit to do, and this is also true of changes in the port charges and other dues levied on shipping.

From the foregoing it will be seen that a consular report should be a more complete, detailed, and exhaustive statement of commercial changes and conditions than it is possible could be issued by any member of a mercantile community, and that it would be valuable at the time of issue and also afterwards.

There are many reasons why consuls should be instructed to send full and early reports, three of which I mention, even though they were not much referred to by the commercial community:

1. It would be a training for the consul himself, and make him more competent and better able to fulfill the duties of his position.
2. It would enable his superiors in office to judge of his abilities.
3. The reports would form an official and continuous account of the trade of each place and country, which would be of the greatest value for reference.

I have explained it will be impossible for consular reports to be issued sufficiently rapidly to make them of any commercial value for immediate buying and selling operations; but to give an example of how long it should take to issue a report, I may mention that in Shanghai, where I lived for some years, all the statistical information is tabulated and made public through the custom-house, the chamber of commerce, and the circulars of merchants within a week or two after the year has expired. The consul is, therefore, in possession of all this information in time to let him deal with the figures and write his report during, say, the month of January. Assuming his report has to go to Peking to be *visé* before it is sent home, it could be sent there and returned to Shanghai within another month. A month and a-half more will bring it to London, and half a month should see it printed and ready for circulation. The Shanghai consular report for the previous year might, therefore, be in the hands of the public in this country on the 1st of May.

Should it be desired, I shall have pleasure in writing a fuller memorandum on this subject, and in sending a number of trade reports issued in different parts of the world, to show how different they are to what consular reports can and ought to be.

A. D. PROVAND.

LLOYD'S HOUSE, MANCHESTER, *June 15, 1886.*

## II.—CIRCULAR LETTER TO CHAMBERS OF COMMERCE AND COMMERCIAL ASSOCIATIONS, WITH REPLIES THERETO.

No. 20.

*Letter addressed to the Association of Chambers of Commerce.*

FOREIGN OFFICE, *March 4, 1886.*

SIR: I am directed by the Earl of Rosebery to state to you that his lordship is taking into immediate consideration the general question of the assistance rendered by Her Majesty's diplomatic and consular representatives abroad to British trade. The instructions under which these officers act are to protect and promote British trade by every fair and proper means. The secretary of state cannot, however, give the support of Her Majesty's Government to commercial or industrial under-

takings, or to applications for concessions from a foreign Government, where he is unable to form a correct judgment as to the soundness or practicability of such enterprises. Within the limits that this office can properly act in these matters aid is constantly afforded to British merchants and ship-owners, and in many instances this assistance is very fully acknowledged.

Lord Rosebery will be glad, in order to enable him to deal in a satisfactory manner with the general question, to receive at your earliest convenience any practical suggestions which the Associated Chambers of Commerce may have to offer as to what greater measure of support they think might be afforded by British representatives abroad to British trade. It must, however, be borne in mind that these officers cannot act as agents for particular firms, nor could they with propriety decide upon the respective merits of rival enterprises, or the claims of British subjects of equal respectability and financial position, who may be competitors in regard to particular concessions or enterprises.

I shall be glad to receive your answer to this letter by the 20th instant.

I am, &c.,

J. BRYCE.

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No. 22.

*Mr. J. S. Jeans to Mr. Bryce.*

THE BRITISH IRON TRADE ASSOCIATION,  
*Victoria Mansions, Westminster, March 18, 1886.*

SIR: The circular letter which you addressed to this association on the 4th instant, with regard to the general question of the assistance rendered by Her Majesty's diplomatic and consular representatives abroad to British trade, having been considered, I have to call your attention to the several points hereunder noted:

1. That it should be an instruction to Her Majesty's diplomatic and consular representatives to make every effort in countries that are likely to require to import any considerable quantity of the metals which they use, to obtain the most-favored-nation treatment and the utmost possible modifications of tariff duties.

2. That where Her Majesty's diplomatic and consular representatives find that efforts are being made by the corresponding representatives of other countries to obtain concessions to traders in such other countries that are calculated to divert from this country orders that would otherwise come to us, they should be instructed to use every proper means to counteract influences so used; but that unless they find that the representatives of other countries are in such matters acting on the aggressive, it may not be necessary for them to interest themselves more actively than at present on behalf of British trade.

3. That Her Majesty's consuls should be instructed to endeavor to obtain and publish in their periodical consular reports every possible information with reference to concessions given to the trading or other representatives of countries other than our own, together with the terms of such concessions, and all available information as to prices, &c.

4. That Her Majesty's consuls should have explicit instructions to make every effort to communicate through their consular reports all

those matters of a cognate character that would be likely to be of interest and value to the trade and commerce of this country at the earliest possible date after such information is available.

5. That a general instruction should be issued to Her Majesty's consuls to endeavor as far as they possibly can to convert foreign money, weights, and measures into their English equivalent in their consular and diplomatic reports, giving at the same time the original currency and weights, so that those who are specially interested should have an opportunity of distinguishing in all cases the accuracy and conditions of the conversion.

6. That in bringing out their consular reports, especially where they are of a voluminous character, Her Majesty's consular agents should be instructed to attach an index that would give an immediate clew to the subject-matter which each report contains, it being necessary (in the absence of any such index) for those who study the reports to wade through very many pages of matter that might not be of the slightest interest to them before they light upon a fact that is calculated to be of value.

7. That Her Majesty's consular agents should be required to furnish to the foreign office for publication by that department all changes that have occurred, directly they occur, or that are in contemplation, in the tariff duties of the countries in which they respectively reside, and that Her Majesty's consuls should in all such cases endeavor to make themselves acquainted with, and to furnish information upon, the probable effect of such tariff changes on the trade of the several countries with the United Kingdom.

The secretary of state for foreign affairs in his circular letter of the 4th instant states:

The secretary of state cannot, however, give the support of Her Majesty's Government to commercial or industrial undertakings, or to applications for concessions from a foreign Government, where he is unable to form a correct judgment as to the soundness or practicability of such enterprises.

This association is not aware that this statement is intended to cover any action that might advantageously be taken by Her Majesty's consuls with a view to obtaining concessions for British subjects for such important matters as, for example, the construction of railways in China, and this association would point out that the question of obtaining concessions from the Chinese Government for that purpose is not likely to be much longer in abeyance, and that agents have, according to information which has reached this association, been endeavoring to negotiate with the Chinese Government to obtain such concessions for business houses in Germany, France, and the United States of America respectively. In matters of such vital concern as that here referred to, it would seem to this association that the influence of Her Majesty's representatives abroad might be suitably employed to endeavor to place English houses on, at any rate, the same footing as to facilities for obtaining such concessions as that upon which the competitive houses in other countries have been, or are likely to be, placed by the action of their diplomatic representatives abroad.

I am, &c.,

J. S. JEANS,  
*Secretary.*

## No. 24.

*Mr. J. Bain to the Earl of Rosebery.*

[Chamber of Commerce and Manufacturers, 7 West George street.]

GLASGOW, *March 19, 1886.*

MY LORD: I have to acknowledge receipt of your circular letter of the 4th current, informing this chamber that your lordship has presently under consideration the general question of the assistance rendered by Her Majesty's diplomatic and consular representatives to British trade, advising as to the instructions under which these officers act and the limitations requiring to be imposed, and requesting any practical suggestions which this chamber may have to offer "as to what greater measure of support they think might be afforded by British representatives abroad to British trade."

This communication has received the attentive consideration of the directors of the chamber and of a committee specially appointed by them there anent.

It appears to the directors that they can most satisfactorily comply with your lordship's request by submitting their remarks separately as bearing upon, viz—

1. The consular staff;
2. The diplomatic service; and,
3. Her Majesty's foreign office department.

1. *The consular staff.*

The directors, while fully recognizing and acknowledging the ability displayed in the reports from time to time furnished by many of Her Majesty's consuls, are impressed with the belief that benefit would ensue to the trading interests of this country if the selection of gentlemen for the position of British consuls was made with greater regard to their special fitness and aptitude to grasp and deal with commercial affairs, and from among persons in sympathy with business pursuits, in preference to those whose qualification is derived from naval or military service.

As respects the instructions issued by the foreign office to their consular staff, the directors consider that improvement might be made by approximating to the systems adopted in America, France, Germany, and other European nations, and in their opinion Her Majesty's consuls should be instructed thoroughly to inform themselves respecting the trade and requirements of the country or district to which they are accredited, and promptly as well as periodically to communicate to the foreign office full reports upon all matters connected with the commerce of Great Britain.

In the event of any considerable mercantile scheme or transaction being promoted within the consular district likely to be of interest to any section of the commercial community in this country, it should be the duty of the consul immediately to transmit the particulars.

It should further form part of the instructions to Her Majesty's consuls to report on the general conditions of business and trade and the prospect of crops, &c., in the country where the consul is resident; the more important commercial and manufacturing enterprises existing in it; its imports and exports, distinguishing their origin and destination; tariffs and their changes; custom-house duties and regulations; facilities or otherwise of transport by sea and land to and from the country

or consular district; the competition between the exports of Great Britain and other nations in manufactured or other products, and the difference or superiority of either or their suitability for the market of the country of import; if the British products are inferior to others, pointing out wherein the inferiority consists; the internal laws and regulations of the country in relation to its commerce; whether preferences are given to native creditors, or justice is more or less reliable, obtainable, or costly; to afford ready information on these points, and to answer questions bearing upon commerce when requested by British merchants and manufacturers, and generally within the scope of their public functions; to aid in extending the commerce of this country abroad, especially in districts which have been newly opened to trade.

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The directors would suggest that such information in a sufficiently condensed form should embrace whatever is of general interest to the commercial community of Great Britain, including subjects of special interest appearing in the consular reports of other countries; that if issued gratuitously copies should be sent to all commercial bodies or otherwise; that a small charge might be made, so as to allow the journal to be extensively obtained by private mercantile firms as well as by the working classes.

In addition to the instructions which the foreign office may deem it proper to give to their diplomatic and consular officers as to procuring and transmitting information on strictly commercial affairs, the directors are of opinion that it would be of the very greatest importance if information were furnished from time to time from the principal trade centers of the world respecting the wages paid for labor, cost of living, and other relative matters. Such a compilation of facts would be a most valuable contribution to the commercial knowledge of this country.

The labor question is one of yearly increasing interest, and that both manufacturers and artisans should be fully informed as to its conditions is evidently of vital importance.

In 1884 the Government of the United States issued a "Labor Circular" to their consuls, directing information to be procured upon a variety of subjects connected with labor, and answers to the following, amongst other questions, were directed to be obtained from every manufacturing town in all foreign countries throughout the world:

1. As to the rates of wages paid to male laborers of every class, mechanical, mining, factory, public works and railways, domestic, agricultural, &c.

2. The cost of living to the laboring classes, viz, the prices paid for the necessities of life, clothing, rent, &c.

3. Comparisons between the present rate of wages and those prevailing ten years previously.

4. The prevalency of strikes, and how far arbitration entered into the settlement of disagreements between employers and employes; the effect of strikes on the advancement of labor, and their general effect on the industrial interests concerned.

5. Respecting co-operative societies, their formation and practical working, and whether prosperous or otherwise.

6. The general condition of the working people, their hours of labor, how they live, their homes, their food, clothes, &c.

7. The means provided for the safety of employes in factories, mines, mills, railroads, &c.

8. The comparative share borne by the working classes in local and general taxation.

## 9. The causes which lead to their emigration, &amp;c.

Answers to these and many other important queries bearing on the labor question were received from every colony and country in which the United States had consular representation, the whole being arranged and published in a systematic and condensed form, presenting a most valuable and comprehensive contribution to the commercial knowledge of America, and a very complete record of the ability and industry of its consular staff.

The information thus obtained, besides being of the utmost importance to the mercantile community, would, the directors believe, have a beneficial effect on the minds of the working classes in this country, by enabling them to compare and contrast their condition with that of their fellow-laborers elsewhere.

I have, &c.,

JAS. BAIN,  
*President.*

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No. 25.

*Mr. J. Hornsby to the Earl of Rosebery.*

AGRICULTURAL ENGINEERS' ASSOCIATION, 342 STRAND,  
*London, March 19, 1886.*

MY LORD: I am directed by the council of this association to acknowledge the receipt of your lordship's letter of the 4th March, and, in reply, to offer, for the guidance of the foreign office, the following suggestions:

That a monthly (or quarterly) report be issued by the foreign office embodying the following particulars, derived from our diplomatic and consular agents abroad, or from other duly qualified persons—

- (a) As to the general condition of trade in their respective localities.
- (b) Of the volume and description of the imports into such districts from competing nations, giving, as far as practicable, the fluctuations in prices of the commodities enumerated compared with the prices of home manufacturers.
- (c) Current rates of freight.
- (d) Alterations, or intended alterations, in import duties, customs, or landing charges.
- (e) Any newly created demand for goods which are or might be produced in England.
- (f) The introduction by foreign traders of new goods, indicating where manufactured, and the extent of the sales effected.
- (g) Suggestions as to the need for, or possibility of, adapting English goods to the requirements of the district, or comparisons which may be made between English and other goods of the same class, particularly as to their suitability for the market.
- (h) Any special facilities for fiscal arrangements, duties, rates, or any other means which governments, railway companies, ship-owners, and agents offer to merchants and manufacturers of other nations to the detriment of British trade.
- (i) Early intimation as to prospects of trade, particularly with reference to projected large public or private works for which British manufacturers or merchants might desire to tender.
- (k) Hours of labor and rates of wages paid by leading industries.

NOTE.—In preparing these reports, different classes of goods should be kept separate; for instance, agricultural implements, also steam-



engines, should be classified so as not to be mixed up with all kinds of machinery. This is done by the American consuls, and renders their reports of greatly increased value.

On receipt of these reports by the foreign office they could be carefully classified and forwarded to the various chambers of commerce and associations representing the leading branches of British industry, for circulation at the earliest possible moment, or they might be communicated to the press. Information concerning agricultural implements and machinery would be communicated to the secretary of the Agricultural Engineers' Association for the use of its members.

Whilst this association disclaims any desire that English consuls should in any way act as intermediaries in trade, or judge between competing British firms, they should be requested (following the example of American and German consuls, who from their business capabilities and energy render most valuable assistance to the trade of their respective countries) to interest themselves in, and, when possible, attend exhibitions, competitive trials, and similar undertakings in the interest of British manufacturers and traders, so that no undue preference may prevail either in conditions of trial or distribution of awards antagonistic to the general body of British traders.

On this point reference is made to inclosed letter from Mr. James Howard.

I have, &c.,

JAMES HORNSBY,  
*President.*

[Inclosure in No. 25.—Mr. J. Howard to the Secretary to the Agricultural Engineers' Association.]

CLAPHAM PARK, BEDFORDSHIRE,  
March 15, 1886.

DEAR SIR: I cannot come up to the meeting to-morrow.

Some years ago the American consul at Prague showed me a copy of the instructions which consular representatives receive from the United States' Government. I presume it would not be difficult for the foreign office to get a copy, which, so far as my recollection serves me, would be an excellent guide.

Consuls are instructed to make efforts for the introduction of American manufactures, and to report upon openings for American commerce; but they are not bound to use their efforts in behalf of a particular manufacturer or merchant; indeed, they are cautioned against using their influence in this way.

Again, at each of the French international exhibitions I have attended great efforts have been put forth by the American representatives, who have made a point of being present at any competitive trials which have taken place, and exerting their influence with the jury, not without advantage to American exhibitors.

I am, &c.,

JAMES HOWARD.

No. 26.

*Mr. J. Fox Turner to Mr. Bryce.*

CHAMBER OF COMMERCE, MANCHESTER,  
March 24, 1886.

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The board notice with pleasure from your letter that, in cases in which the foreign office is able "to form a correct judgment as to the soundness or practicability of" any enterprises, the support of Her Majesty's Government will be accorded.

Your letter desires suggestions "as to what greater measure of support this chamber thinks might be afforded by British representatives abroad to British trade."

Frankly, therefore, my directors wish to state that a greater measure of support would seem likely to be afforded by the appointment on the personal staffs of the various embassies of some gentleman specially informed as to mercantile affairs, and able to advise the chief of the legation or consulate thereon. This gentleman should be charged with the collection and arrangement, and prompt issue (without the delay which exists at present) of such information, in a statistical or other form, as may in his judgment be of service in directing the attention of those whom it may concern to the possibilities of trade in the country to which he is accredited.

Without desiring to give to the consular reports furnished to the Government of the United States by their agents a greater measure of praise than they deserve, my directors nevertheless are of opinion that, in some important particulars, the agents of the British foreign office might take example from their American *confrères*, as well as from the reports of our own India office, which are very valuable.

If the chamber might venture to make more detailed suggestions, they would recommend that immediate intelligence should be forwarded to the foreign office of any changes or contemplated changes, in the countries to which they are accredited, likely to affect British trade, such as:

1. Alterations in tariffs.
2. New roads, railways, waterways, or telegraphs, intended or needed.
3. Changes in trade routes by land or water.
4. The state and prospects of agriculture, including improvements in methods and changes in cultivation, and the character of the seasons.
5. The course of prices and wages.
6. The state of the currency, changes therein, and their causes.
7. New manufactures.
8. Foreign competition with British manufactures.
9. Any other facts bearing upon the economic condition of the people.

Members of this board who have been resident abroad, and brought into contact with Her Majesty's consuls, readily admit the general ability of the British service; but in view of the paramount importance of commerce to the country, and the increasing closeness with which British trade is being pressed by foreign competition, it is desirable that gentlemen selected for this service should have adequate commercial knowledge.

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I have, &c.,

J. FOX-TURNER,  
*Secretary.*

No. 29.

*Mr. Hill to the Earl of Rosebery.*—(Received May 28.)

[The Liverpool Steamship Owners' Association, 10 Water street.]

LIVERPOOL, May 27, 1886.

MY LORD: This association, understanding that your lordship is ready to receive any practical suggestions as to the support which might

be afforded by British representatives abroad to British trade, have directed me to offer the following for your consideration, viz :

That British consuls should in all cases watch and report periodically the course of trade and agriculture at the places to which they are accredited, with an especial reference to its bearing upon the imports of British manufactures.

That they should note any alteration in the source of the district supplies of seeds, machinery, raw and manufactured products, &c., distinguishing between increased home sources of supply and manufacture, and that of foreign countries other than Great Britain.

This association is of opinion that if such information is regularly tabulated and reported, and supplemented by such general information as is given by the American consuls to the United States Government, the British trader, both manufacturer and carrier, would be in a position to try and meet foreign competition at its first inception, instead of only becoming acquainted with the facts (as in many cases they now do) after the trade has been irretrievably lost to this country.

I have, &c.

GRAY HILL,  
*Secretary.*

### III.—CORRESPONDENCE WITH HER MAJESTY'S DIPLOMATIC OFFICERS ABROAD.

[Inclosure in No. 31.—Mr. J. A. Crowe to Viscount Lyons.]

PARIS, *March 17, 1885.*

MY LORD : Three questions are asked in Earl Granville's dispatch of 11th March, 1885, as to the extent of the assistance rendered by the French Government to French exporters and manufacturers.

The first question has reference to museums or depots of specimens of articles which are in demand abroad.

During the debates which took place on the budget commission of the Chamber of Deputies in 1884, opinions were freely expressed in favor of creating a central commercial museum ; and a certain amount of concern was shown at the omission, in the estimates of the ministry of commerce, of a charge for the purchases of samples fit for exhibition in an establishment of this class.

In April of last year I had the honor to inform your lordship that a commission had been appointed to consider the question of establishing French chambers of commerce abroad ; and I forwarded copies of a report made by that body, comprising rules and by-laws for the formation of these chambers. It appears that in the course of its deliberations the commission was also led to inquire what course it would be most advantageous to promote—that of forming a commercial consular museum, attached to the ministry of commerce in Paris, or provincial museums at the seat of manufactures in various parts of France. It is possible that the question of cost may not have been foreign to the decision which the commission then took and the minister afterwards approved. A sum of (say) 50,000 francs (£2,000) voted annually might, it was thought, be too small for the preliminary expenses incident to the formation of a single central museum, yet it would go a great way towards promoting the establishment of regional commercial museums organized by chambers of commerce or placed directly under their patronage.

M. Rouvier, minister of commerce, declared his readiness to move the grant of 50,000 francs for district commercial museums, and charge that amount in the budget of 1885. In support of the estimate he stated that "in many places private enterprise had shown itself ready to strengthen the hands of the Government, either by expanding or transforming museums already in existence, or in founding new establishments of the kind in places approved by the commission."

It appears from a circular of the 11th September, 1883, addressed by M. Herrisson, then minister of commerce, to the chambers of commerce of France and Algiers, that thirty-five out of forty French chambers reported in favor of provincial as against a central museum. Three chambers only voted for the latter ; two were opposed to th

creation of any museum at all. Bordeaux, Lille, Lyons, Rouen, Beaune, and Algiers claim to have taken a step in advance, by laying the foundation of local, commercial, and industrial permanent exhibitions. This, and M. Rouvier's subsequent action, decided the issue. No central establishment was formed, and aid will be given in a small way to local efforts.

On the 18th of last December M. Rouvier, who had succeeded M. Herrisson, spoke at a meeting of the union of syndical chambers of Paris, and in the course of his remarks he said: "As regards commercial museums, I have more than a promise to make; I have been fortunate enough to obtain a small credit, which will enable us to begin a work which promises much for the future." On the 21st of the same month M. Rouvier was at St. Quentin to inaugurate a commercial museum founded by the Industrial Society of that city. He said in his opening speech: "The commercial museum which is to be opened this day is the first of its kind that has been created in France. The professional education which the Industrial Society of St. Quentin has organized for the working classes is an effort of private enterprise deserving the highest approval."

The second question relates to the immediate publication of consular reports as to openings for trade. As to this, the *modus operandi* is as follows: Consuls are instructed by a circular of 1883 to draw up reports embodying the information above mentioned. Immediately on the receipt of these papers they are issued in a publication called the "Moniteur Officiel du Commerce," which appears in Paris every week. I have looked at these reports. They were full and detailed at first, drawn up every fortnight; they were interesting from the information they contained. Later on, they were only forwarded monthly, but they had gradually come to be mere market bulletins; useful no doubt to the public generally, but probably forestalled for the mercantile community by private accounts. The system, however, has given satisfaction to those who think the public insufficiently furnished with knowledge on mercantile questions; and for the present monthly trade reports from consuls are to be continued.

As to the third point, viz: Are exporters allowed to use consuls as agents? The answer is in the negative. There is but one thing which a consul is allowed to do, and that is to answer questions addressed to him directly by a merchant or a commercial firm in France. He is authorized and encouraged to do this by the French foreign office. But communications of this class must not assume such a regular character as practically to lead to the consul's being the habitual and constant adviser of any firm or of any individual.

I have, &c.,

J. A. CROWE.

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### No. 32.

#### *Extract from a further letter from Mr. J. A. Crowe.*

In very busy consulates—for instance in ports—the consul has office work and regulation duties to which he must attend at fixed hours. Whilst merchants and shippers go to the exchange, where the consul might hear the commercial news of the day, *he* is confined to his own office. When he becomes acquainted with facts, they are frequently old and comparatively useless. But the consul, as a general rule, is not at a post of vantage for communicating other than local information. He watches the incoming and outgoing trade of a port, and knows little or nothing of the centers of commerce and manufactures. He will tell of shipping that has arrived and sailed, and be able to report the quantities of goods that have come in and gone out; but he will not be able to speak in detail of the current of trade, and will always be unable to say what the exact proportions are of the business done with various places. Take a case. Marseilles does a large business with the Mediterranean and beyond it, but no consul at Marseilles can give the details of that trade, nor can he get it unless the custom-house opens its books to him—which they do not. The official statistics will tell in October of any year how many kilograms of goods of every kind have entered

or left the port in the year preceding. They are silent as to whence or whither they have come and gone. At the great industrial centers we have either no agents or only subordinate agents, whose remuneration is so small or whose position is so uninfluential that they cannot be asked to furnish reports, which, indeed, in some cases they would not be able to draft.

The French are not more favorably situated in this respect than we are. But they have lately been stimulated to extraordinary exertion by their Government, and market reports are obtained from them every month, together with suggestions as to classes of goods which may be considered likely to yield a good market. The casual trader may think he derives benefit from these reports. The merchants of each place have usually forestalled these possible rivals, *even before* the information reaches the consul. But are consuls and diplomatic agents to be considered as informants of traders? Is that their function? Can they vie in any way with the merchant whose interest it is to be informed? I think not.

Yet they may well do this, that is, collect and report *promptly* all information regarding changes in foreign tariffs. But as to this I desire to point out that very few consuls are usually furnished with the papers in which publicity is given to such facts. The facts, the decrees, the laws appear, not in local papers generally, but in the official journal of the capital; and it is surprising, yet true, that these facts are habitually neglected by the provincial press. It is on that account requisite that minute attention should be given to these matters at such centers as Paris, Berlin, &c.; but it is also desirable that consulates should be allowed to subscribe for the official journals in which the information required appears at first-hand.

Let us suppose the information duly brought together and dispatched to England, the question arises, What shall be done with it there?

Before answering that point, I may add, with regard to consulates, legations, and embassies, that in the matter of changes in markets consuls probably report oftener than secretaries; but the consuls only do so when specially called upon to do so, or in their annual reports. Secretaries seldom do so at all. It is not even an instruction that their half-yearly reports should necessarily be commercial reports; and it constantly, and often necessarily, happens that the half-yearly reports are not written at all.

The question of demand for labor is no doubt worthy of study, but I venture to affirm that it is one which can never be grappled effectually by consular or diplomatic officers, because the statistics of labor are not in existence, and where they are collected, as in France, are not made public till three years after date. It is not unlikely that there exists a certain freemasonry which by its agencies spreads information as to the briskness or slackness of demand for certain forms of labor; and this is probably true to a large extent in France, in a smaller measure in Germany. But wages often differ in different and not very distant places, and they differ constantly, and this is one of the elements of doubt in the study of the theory that prices necessarily find a common level. I suspect the existence of a wave which perennially disturbs the level. In Paris, I have been told, the news of a demand for hands in certain trades is so rapidly spread that it causes a sudden arrival of numbers quite in excess of the demand. But in less active places there is much more sluggishness. I fear the attempt to obtain official information as to the demand for labor could only be obtained by wan-

dering agents, and these might find it difficult to obtain correct information if their intentions were known.

In Paris, which is my headquarters, all information respecting customs tariffs and interpretations of custom-house dues are reported as they appear, or before they officially appear. They are forwarded to the foreign office, which no doubt transmits them at once to the board of trade. What should be done with them there?

In France they are made public at the expense of the state; in Germany they are inserted in an official publication called the *Handels Archiv*. The French publications are, a weekly paper called *Le Moniteur Universel du Commerce*, in which French legislation, then foreign legislation, reports of markets by French and foreign consuls, are printed in a condensed form, sometimes as original matter, sometimes in the shape of extracts. Subordinate to this is the *Bulletin du Commerce*, likewise official, in which all new trade-marks registered are given, together with the decisions in respect of infringements in the courts of France or abroad. The *Bulletin Consulaire* brings together reports from French consuls much in the same form as our consular reports, but are published at shorter intervals and without the formality of being laid before Parliament. The *Annales du Commerce Extérieur* give all treaties, new tariffs, custom-house circulars, and statistics of foreign commerce *in extenso*, in *fascicules* which are published monthly.

The returns of imports and exports are published regularly every month, so as to give approximately in January the results of the trade and navigation of France for the past twelve months. The detailed statistics of this class are only published annually, so, for instance, that those of 1885 will appear in October of 1886. Besides these we have the *Bulletin de Statistique*, monthly publication of the ministry of commerce, including statistics of the ministry of finance, taxation, and railways; *Bulletin de Statistique des Travaux*—public railways, ports, rivers, roads, canals; and *Bulletin de l'Agriculture*—crops, phylloxera, wine, &c.

Either we may imitate the French in this abundance and extent of these publications, or we may select some capable person to summarize this information for the purpose of communicating it to the public. The public at large will be satisfied with very summary *précis*, the chamber of commerce and mercantile bodies might desire full copies. The first mode might be employed at some, not necessarily at a heavy cost. The second might be communicated in this wise:

Open an office, say, at the board of trade, similar to the "*Bureau du Commerce*," which was opened nearly two years ago at the *Ministère du Commerce*, in Paris. New tariffs, circulars, and news could be displayed there for a certain time on the walls of this office, and to be open to any one to inspect and to copy. Provincial chambers would probably ask the London chamber to get them copies of these documents. If the mercantile community has a natural interest in obtaining early information of the kind stated, why should it not expend something for getting it? It is immaterial whether they pay for it in the shape of printed matter or otherwise.

Of course, it may be within the possibilities that a diplomatic or consular agent should find it feasible to promote the interest of firms seeking concessions in remote countries. But the tact required for this sort of duty is rarely found, and I will only recall the recent case of an English minister, whose interference in a matter of this kind led, so far as I can recollect, to a request that he should be recalled.

[Inclosure in No. 34.—*Report by Sir B. Boothby on the assistance rendered by the Belgian Government to Belgian exporters and manufacturers.*]

Notwithstanding the smallness of her territory, Belgium as a manufacturing country ranks with the most important states of Europe. Her manufactures are also her chief exports. Their maintenance and promotion consequently receive the special attention of every Belgian Government. The principal means by which assistance can be rendered by a Government to the exporters and manufacturers of the country is by keeping them constantly informed of the requirements of foreign markets and of the nature of goods which are in demand there. In Belgium this is effected by means of commercial reports furnished by consular agents abroad, and by the establishment of a commercial museum in Brussels, where samples of goods most in request by foreign consumers are exhibited, and where information respecting the same may be obtained.

*Assistance rendered to exporters and manufacturers by supporting museums or depôts of specimens of articles which are in demand abroad.*

In 1881 a commercial museum was founded in Brussels for the purpose of supplying Belgian exporters and manufacturers with useful information respecting the state of foreign markets.

This museum owes its existence principally to M. Frère-Oban, the then Prime Minister. It is situated in the center of the town, in the immediate neighborhood of the Exchange, and at about an equal distance from the two principal railway stations.

The first costs connected with the establishment of the museum were as follows:—

	Francs.
Purchase of the building.....	129,727 58
Expenses of converting ditto.....	112,000 00
Furniture.....	70,000 00
Wages to work-people during 1881.....	4,210 00
<b>Total.....</b>	<b>315,937 58</b>

In addition to the above costs, there is a mortgage charge payable to the town of Brussels of 10,620 francs per annum for a term of sixty-one years; and this amount, if capitalized, would represent a sum of 241,192 francs.

The estimate in the Foreign Office Budget of this year for the maintenance of the museum (exclusive of salaries, annuities, office furniture, water, heating, and lighting) is 25,000 francs.

The public are admitted daily to the museum free of charge. At the present time the average number of visitors to the museum during the day is about seventy.

In order to give the required information in the easiest possible manner, the museum has been divided into different sections, consisting of—

- (1) A collection of samples of imported and exported merchandise.
- (2) An office of inquiry.
- (3) A library.
- (4) Offices under the ministry of railways, posts, and telegraphs.

These departments are arranged as follows:

(1) *Collection of samples.*—The samples exhibited in the museum are received from Belgian agents abroad, who have collected them in the country or locality where they reside.

These samples form three large classes:

(a) *Samples of goods for exportation*, intended to make the Belgian manufacturer understand the nature and quality of goods sold by foreign rivals in all parts of the world. By studying this collection he is enabled to judge whether he can produce goods of a like description at as low a cost price as the home manufacturer.

(b) *Samples of goods for importation*, intended especially to assist Belgium manufacturers by exhibiting to them the raw material required for the supply of their factories, and which it would be to their advantage to procure directly from its place of production.

(c) *Samples of packing-cases and methods employed for packing adopted in different countries*, material and means employed to prevent the deterioration of goods, and to give them the appearance desired by the consumer.

In cases where the utility of it is clearly shown, and where it is possible to do so, cuttings of samples are given to applicants for them.

In order to facilitate reference, a double system has been adopted as regards the classification of samples.

Thus, for the purpose of exhibition the samples are arranged according to the nature of the product, all samples connected with the same industry being placed

together; whilst in the catalogue the samples of any particular product are classed according to the country of their production.

Details respecting the goods of which samples are exhibited are supplied by the Belgian consuls by whom they are sent, and these are indicated in the catalogue.

(2) *Office of inquiry*.—This office enables the public to obtain further information on points which an examination of the collection of samples may not suffice to explain.

(3) *Library*.—The library of the museum is composed of technical treatises, of directories of the principal countries of the world, of foreign newspapers dealing with commercial and industrial questions, and notably of such as contain notices of adjudications.

*Foreign adjudications*.—Rate books, plans, estimates, and samples connected with adjudications which are likely to interest Belgian manufacturers, may be consulted in the reading-room of the museum. Notices of their arrival are communicated in due time to the "*Moniteur Belge*," and to the leading newspapers of the country.

*The Bulletin* of the Commercial Museum is a weekly publication, of which the catalogue of the collection forms the principal part. It includes also notices of Belgian and foreign adjudications, as well as information derived from foreign technical journals, special publications, &c., which is supplied by Belgian agents abroad for the use of exporters and manufacturers at home.

(4) *Offices under the Ministry of Railways, Post, and Telegraphs*.—To complete the elements of information afforded to the public by the ministry of foreign affairs, two offices connected with the department of railways, posts, and telegraphs have been transferred to the Commercial Museum.

One of these offices gives every information which may be required respecting Belgian state adjudications. The other office supplies information as to transport tariff for merchandise, by rail or sea, to all parts of the world.

*Assistance rendered to exporters and manufacturers by the immediate publication of consular reports.*

One of the most useful services rendered by consuls to their country is that of constantly calling the attention of the public through the Government to the openings offered to trade by the different markets of the world.

But in order that the voice of the consuls should not be lost, it is necessary to provide a channel of communication through which it may be heard.

In Belgium several attempts have been made to insure the proper publication of the contents of consular communications.

In the first instance, these were transmitted to certain chambers of commerce, and after being returned to the foreign office, remained open to the inspection of any person who wished to consult them. Experience showed, however, the inefficacy of this system, inasmuch as the persons chiefly interested remained practically ignorant of such reports having been received.

A change of system therefore became necessary, and the plan was adopted of publishing consular reports in the official Gazette. From this step considerable advantages accrued, enterprises in distant countries deriving no little assistance from the information afforded in these publications.

Nevertheless the object proposed was not completely attained. The *Moniteur* is chiefly read by officials only. It does not find its way into the factories or commercial houses of Belgium. On the other hand, these consular reports are rarely reproduced by the newspapers which are read by the commercial classes.

Something remained to be done.

In 1855 a final step was taken by the Government, by which it was decided that for the future, in addition to the publication of consular reports when of sufficient importance in the official Gazette, they should also be collected in a separate publication, volumes of which should appear weekly.

This plan was at once carried out, a sufficient number of subscribers being promptly forthcoming from among the leading manufacturers and merchants and the chambers of commerce to cover the expenses of the undertaking. The first number of these volumes was published on the 1st of January, 1856. This double issue of consular reports, viz., in the official Gazette and in the separate publication above referred to, was continued till the year 1865, when the general circulation obtained by the latter made it unnecessary to publish any further the reports in the Gazette.

Thanks to this publicity, the information transmitted by Belgian consuls abroad is brought immediately to the knowledge of those whom it especially interests.

As a general rule consular reports are transmitted through the Belgian legations under flying seal to the Belgian minister for foreign affairs. But in cases of urgency consular agents are instructed to communicate directly with the foreign office at



home. Private individuals requiring special information respecting the state of foreign markets, the manner of transacting business abroad, the kind of goods in demand, &c., may apply directly by letter to their consuls, who are empowered to communicate such intelligence to the applicant.

*Assistance rendered to exporters and manufacturers by allowing exporters to use consuls as agents.*

With regard to this subject it is necessary to make a distinction between the two separate categories of agents which compose the Belgian consular body. There are (1) consular agents who are paid by the state, and are not allowed to take any private part in any commercial undertaking; and there are (2) unpaid consular agents who, as a rule, are chosen from among the leading men of business—Belgian, where possible—resident in the various commercial countries abroad. The latter are, of course, at liberty to engage in commerce, and are free to become the agents of Belgian and of foreign exporters. But the relations into which they enter in this manner are of an absolutely private nature, and in no way involve responsibility on the part of the Government.

BROOKE BOOTHBY.

BRUSSELS, May 9, 1885.

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No. 37.

*Mr. Monson to the Marquis of Salisbury.*—(Received January 11.)

COPENHAGEN, January 8, 1886.

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It is not at the great courts of Europe, nor even at the less important capitals of long-civilized countries, that such considerations are of moment. But among the rising nationalities, which even only a few years ago might justly be called semi-barbarous, and among those sparsely populated and imperfectly organized republics of the New World, where English capital is greedily sought and English enterprise so extensively depended upon for the development of otherwise inaccessible resources, the official representative of England would, in my opinion, be exposed to the danger of a substantial diminution of his prestige and character, with the public certainly, and with the Government to which he is accredited almost inevitably, were it seen that he admitted as warrant for diplomatic action the invocations of his official patronage with which he would be immediately overwhelmed by large numbers of his countrymen. In the east of Europe and in South America it is but too notorious that the standard of morality, alike political and commercial, is regulated by considerations repudiated as discreditable by the professors of an older and higher civilization.

It is true that the diplomatic representatives of great European powers do occasionally, as I myself had occasion to see, depart in favor of their compatriots from the rule of "abstention" prescribed to them by tradition, if not by superior order. But in every such instance interested motives have infallibly been ascribed to the deviation. The profession of politics in the countries to which I allude is invariably a lucrative one. Place and power are regarded almost exclusively as opportunities for self-enrichment, and are sought after, not for patriotic motives, but as means to amass a fortune. In those countries every concession to foreign capitalists, foreign companies, foreign syndicates, is made a matter of pecuniary bargaining. All speculations and enterprises, railways, banks, harbor schemes, mines, land concessions, taken in hand by foreigners, depend for their preliminary success upon the

readiness of the promoters to bribe the wire-pullers of the Government. Commercial houses seeking contracts, or simply desirous of increasing their ordinary operations, are driven to have recourse to the same measures. Individuals or associations who have wrongs to redress or claims to assert can only hope to succeed by paying blackmail to officials; and when such cases are taken up and carried to a successful issue by diplomatic agents, the latter can never escape suspicion of having received a share of the plunder. My own experience of the difficulty, I might almost say the impossibility of successful interference, under instructions from Her Majesty's Government on behalf of my countrymen in South America, satisfies me that I am making no inequitable charge against Government officials in the countries with which I am acquainted; while I can recall several signal instances of very dubious claims, involving the payment of large sums of money, which have been countenanced and actively supported by my foreign colleagues, whose success in enforcing them has brought upon themselves the stigma of having undertaken the prosecution of illegitimate demands against a foreign Government for solid pecuniary advantages to their own pocket.

In such countries as those to which I refer, and which are naturally regarded as very promising fields for the extension of British commerce and British enterprise, I am convinced that it would require extreme discretion on the part of our diplomats to avoid the imputation of corrupt and interested motives in the event of their departure from the policy of "abstention" hitherto almost invariably pursued. I have seen enough, and heard enough, of the proceedings of my countrymen to enable me to speak on this point with authority. I know that a British minister is liable to constant solicitation from companies, firms, and individual merchants, who are desirous of securing his good offices with the Government and the local authorities in furtherance of their schemes. I know that pecuniary advantages to be given him in return for his good word and his influence are hinted at by those solicitous of his protection; and I feel sure that the immunity which he enjoys from suspicion on the part of the public and the local Government is due, almost exclusively, to the attitude of "abstention" which it is now sought to modify. It would, of course, be more satisfactory to be able to say that the fact of his being a British official suffices to maintain his character for integrity; but when, unhappily, the contagion of example has so tainted the entire commercial community, that British merchants and British companies resort as a matter of course to systematic smuggling, bribery, and other illicit practices, it would be too much to expect that the general public, either native or foreign, would give credence to the assertions of immaculate conduct made by an individual member of a nationality so deeply compromised.

The subject is so unsavory and so mortifying to national pride as to deter any one from a desire to enlarge upon it. I trust that the allusions I have made may be forgiven to me in view of the importance of the question which has been raised in an influential organ of public opinion. Should Her Majesty's Government decide upon taking any action in consequence of the raising of that question, I cannot doubt but that due attention will be given to the view which I have ventured to put forward, and which must be shared by numbers of my colleagues. Means may very possibly be found of devising a plan by which the legitimate demands of British trade may fairly be met without entailing upon our diplomatic service the risks of such a humiliation as I have seen become the portion of the diplomatic agents of other countries. The members of our service have never shown themselves behindhand

in advancing the general interests of British trade. They will be equally ready, I am sure, to lend their aid in promoting the individual commercial efforts of their countrymen abroad, so long and so far as they can do so without compromising their utility as the incorruptible servants of Her Majesty and the representatives of the honor and integrity of the British nation.

I have, &c ,

EDMUND MONSON.

No. 41.

*Memorandum by Mr. J. G. Kennedy, secretary of embassy at Rome.*

Commercial museums, under Government supervision and patronage, exist at Turin and Milan, *but are not yet* open to the public. They will contain specimens of goods required in foreign countries.

2. Consular reports are published in small volumes, like our secretaries' reports, and also in the weekly bulletins or journal published by the ministry of commerce. They contain varied information.

3. No commercial attachés have as yet been appointed, because the Chamber of Deputies has not yet sanctioned the sum of 40,000 francs (£1,600) asked for by the minister of commerce.

4. No special, only general, instructions are issued to consuls respecting "pushing of trade."

5. Consuls are forbidden to act as agents for exporters.

As regards general official action, my report gives information. The Government also puts pressure on railway companies to reduce rates in favor of exporters.

I will inquire at foreign office respecting instructions to consuls, and write again if necessary.

J. G. KENNEDY.

ROME, March 1, 1886.

No. 42.

*Sir E. Malet to the Earl of Rosebery.*

BERLIN, March 3, 1886.

MY LORD: In compliance with instructions contained in Earl Granville's dispatch to Mr. Scott of the 11th March, 1885, I have the honor to report:

1. That the only commercial museum to which the Prussian Government gives a yearly money aid is the Kunst-Gewerbe-Museum (Museum of Art Industry) of Berlin. The amount of the grant is 107,000 marks, or about 5,000*l.*; the remaining commercial museums in this country are supported by private contributions and aids from the municipalities and local chambers of commerce.

2. The imperial consuls are instructed and encouraged to send home occasional reports containing as full and accurate information as they can obtain in regard to the state of trade and industry in their districts, and particularly in regard to German trade, and to give timely notice of any opening for its extension, or for the establishment of any new trade between Germany and the countries where they reside.

These reports are sent, in the first instance, to the imperial foreign office, where they are examined, and then passed on to the department of the Reichs-Amt des Innern, the home office of the Empire, in order that any information which may be found in them deserving of interest may be extracted from them, and published in the "Handels-Archiv," for the benefit of the trading and industrial community at large.

This publication appears monthly, and I have the honor to inclose, as a specimen, a copy of the December number of 1885.

3. German consuls are strictly prohibited from acting in any way as agents for exporting firms.

I have, &c.,

EDWARD B. MALET.

No. 44.

*Sir R. Morier to the Earl of Rosebery.*—(Received April 26.)

[Extract.]

ST. PETERSBURG, April 22, 1886.

I am altogether at a loss as to the way in which I should deal with the case of Messrs. ———, recommended to my care in your lordship's dispatch of the 3d instant.

It would appear from the correspondence inclosed in that dispatch that these gentlemen have sent in tenders for a tramway at Lodz, in Russian Poland, that their tender has been selected with one other as to the two to be adjudicated upon at St. Petersburg, and that the matter is running its usual course here. No complaint is made of the action of the St. Petersburg authorities, nor is it alleged that the applicants have been refused justice or been subjected to treatment internationally cognizable on the ground of comity. Nevertheless, the parties expect that Her Majesty's ambassador shall be instructed to watch over their interests with, I presume, concomitant prayers to be offered to the Imperial Government.

On being called upon by the foreign office to state more particularly in what their interests consist, they reply that they are those of British enterprise and British capital, and they add that they are given to understand that the competing tender is being watched by the representatives of the country of the tenderer, whatever that country may be.

It appears, therefore, that, in the opinion of these gentlemen, it is, first, sufficient for a commercial enterprise in a foreign country to be a *bona fide* British one to secure for it the watchful care and fostering protection of the Queen's representative. Second, that where there is a suspicion that the representatives of another country, even though the name of that country is unknown, are taking steps, the nature of which is equally unknown, to further the interests of a private commercial firm of that country, it is the duty of a British representative without further ado to enter into an international competition with such foreign representatives in favor of his country.

I am convinced that your lordship will agree with me that the very greatest caution should be used in dealing with a case of this kind, lest a precedent be established which might prove a fatal embarrassment in

the future both to the foreign office and to Her Majesty's ambassadors and ministers abroad.

Take Russia, for instance; British capital and enterprise have more or less established themselves throughout the Empire independently of the large establishments of old standing here and at Moscow. They have done so on the principle which has till now obtained that capital embarked abroad must yield the profits necessary to cover the risk involved in the adventure, a risk which is greater or smaller according to the country in which the capital is invested.

Now, no rule has been more absolutely insisted upon in the dealings of Her Majesty's missions abroad than this one, that, unless there is denial of justice, or treatment of British subjects engaged in mercantile transactions contrary to treaties or to the spirit of treaties, no assistance shall be rendered to further private interests.

Were I, therefore, to act, at the instance of Messrs. ———, on the principle put forward by them, I should, by one stroke of the pen, become, so to speak, the guardian and trustee of every private firm throughout the length and breadth of Russia.

As regards the entering into competition with foreign representatives in furthering the interests of private firms, my long experience in commercial transactions of international interest has furnished me with the data necessary to form a correct judgment on the subject, and I must unhesitatingly declare that, apart from the very great harm that I believe would result to our political position from such official competition, I believe we should enter such a race without any of the conditions necessary to secure a chance of success.

In these circumstances, I hope you will approve of my not having acted in conformity with Messrs. ———'s wishes without first consulting your lordship, and I would suggest that those gentlemen be informed that, the case having been referred to Her Majesty's ambassador at St. Petersburg, he had given it his best consideration, but had been unable, with the very limited information furnished to him, and in ignorance of the nationality of the competing firm, to determine whether it was a case which called for legitimate interference on his part.

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No. 45.

*Mr. O'Connor to the Earl of Rosebery.*—(Received May 3.)

[Extract.]

PEKING, March 6, 1886.

The position of Her Majesty's consuls in China, both *vis-à-vis* to British commerce and to their foreign colleagues, is very different from that of similar officers in Europe, and I have, while in charge, always gone on the principle that to be efficient and to render the best service within their power to British commerce they ought not only to report commercial matters to the foreign office and to Her Majesty's legation, but also be on the lookout to show British merchants and traders when and how to take advantage of commercial openings, and, if necessary, to introduce British commercial agents willingly, yet with just discrimination, to the local authorities.

No. 46.

*Sir E. Thornton to the Earl of Rosebery.*—(Received May 5.)

[Extract.]

CONSTANTINOPLE, May 1, 1886.

Whilst upon this subject, I may add that since my arrival complaints, verbal and in writing, have been made of the scant protection given by Her Majesty's diplomatic and consular officers to British subjects.

A leading merchant of this city lately called on me and used very plain language in this sense, especially in comparison with the protection enjoyed by German subjects. I asked him to give me an instance. He put forward what he considered to be the strongest proof of his assertion. He said that English merchants would sell their goods at one month's credit on much easier terms than German merchants would sell on six months' credit. The natives, however, always preferred to deal with the latter, who dared to give such a long credit, because, in the event of their debtors not paying for the goods purchased, the German consul would interfere to force them to pay their debts, and, in fact, would act as the agent of the merchants. Englishmen did not venture to give the same credit, because they would not receive the same support from Her Majesty's consuls, and, therefore, lost much of the custom of the natives. I doubt whether Her Majesty's Government would consider it right that they should be employed in such a way.

I have within the last few days received a letter from a firm of English merchants residing at Smyrna complaining of the vexatious conduct of the customs authorities at that port with regard to double duties being imposed, in several instances, upon excess of coals above the manifest, as measured by the custom-house officers.

As the measures taken by those authorities really appear to be unnecessarily severe, I have addressed a note upon the subject to Saïd Pasha.

At the end of the letter it is insinuated that proper assistance is not afforded by Her Majesty's embassy; they say that "if such aid and assistance is to be a reality, and not a mere name—the vain shadow of a shade—then, surely, it is not to be invoked in vain when called upon to save the very existence of a trade which, sorely hampered by wanton interference and unwarranted exaction, still remains in English hands, but can only so remain if protected by the powerful assistance and co-operation of the embassy."

Yet, notwithstanding this insinuation, it is admitted that, in one instance of the payment of double duties, they succeeded, "by the intervention of the British embassy, in getting the money returned."

Englishmen complain that in Turkey Germans are getting the advantage of them in point of trade, and attribute it to the want of assistance from Her Majesty's diplomatic and consular officers. For many years past, during my residence on the River Plate, Brazil, and the United States, I have been painfully impressed by the conviction that English merchants are indeed being driven out of the field by Germans, but that the latter attain this superiority, not by protection from their authorities, but by their own unaided and independent energy, by the greater economy of their establishments, and by downright hard work on the part of both chiefs and subalterns.

## No. 47.

*The Earl of Rosebery to Mr. O'Connor.*

[Extract.]

FOREIGN OFFICE, May 6, 1886.

I stated to the Marquis Tséng that the convention,\* of which we had to-day exchanged the ratifications, was a proof of our good-will, inasmuch as it added a large sum to the Chinese revenue, and I hoped that, if China should be opened to commercial enterprise, the claims of this country would not be forgotten. I was against Governments putting pressure on other Governments to obtain commercial advantages in a narrow sense; all that we desired was a fair field and no favor.

The Marquis Tséng fully concurred in this view, and said that he knew that whatever England wished in China was for the good of China as well as for her own, and that he would always bear this in mind in relation to this question.

## No. 49.

*Sir S. St. John to the Earl of Rosebery.*—(Received May 11.)

MEXICO, April 22, 1886.

MY LORD: I would mention to your lordship that one of the principal causes of the inferior commercial position held by the English in this and other countries is the practice of the British steam navigation companies employing foreigners as agents. In Vera Cruz the three English companies employ Germans or Mexicans, who can feel but a very lukewarm interest either in the success of the companies or in the extension of British trade. In fact, the Germans are our most active competitors in every mercantile transaction, and should not receive the additional advantage of having almost a monopoly of steamboat agencies.

There can be no doubt, however, that up to the present time the English commercial community have shown the utmost apathy and indifference to the trade of this country, and have left to the Germans, French, and Spaniards the management of a commerce, a fair share of which would fall to them if they would show the same qualities of thrift and industry which have distinguished their competitors.

In the course of a very long experience I have noted that the average English commercial man of the present day is unfit to compete with the thrifty and industrious German. The former is bent on the pursuit of pleasure, whilst the latter gives himself no leisure until his future is assured.

I have, &amp;c.,

SPENSER ST. JOHN.

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\* See "China No. 3 (1886)."

No. 52.

*Sir F. Plunkett to the Earl of Rosebery.*—(Received May 27.)

TOKIO, April 23, 1886.

MY LORD: I have the honor to acknowledge the receipt of your lordship's dispatch of the 25th February, covering copies of correspondence which has passed between your lordship's department and the London Chamber of Commerce in regard to the alleged inadequacy of the support given by Her Majesty's diplomatic and consular officers abroad to the furtherance of British commercial interests.

It seems to me that the London Chamber of Commerce has a mistaken appreciation of the support generally given by foreign agents to their countrymen. This support is often more partial to certain firms than general to all their own nation. I believe that our merchants themselves would be the first to complain if I, for instance, were to show any [such] preference for one English firm at the expense of the rest, and yet there is no doubt it is far more effectual to push the interests of one individual or group than to further equally and with that impartiality, which Englishmen expect of their own Government, the interests of a large number of merchants, many of whose interests are often themselves conflicting.

I had the honor of sending your lordship my dispatch of the 8th instant some time before receiving your dispatch under reply.

I beg [again] to express the opinion that a sudden change in the policy hitherto followed by England in this respect is not advisable. I believe the foreign Governments who now have recourse to these methods will not find them successful for long, and that we shall gain much more by continuing in our present course, viz, combat to the best of our power any case we may discover where foreign agents are endeavoring to undermine our commercial connections, or working otherwise to the detriment of our merchants; but we should hesitate before imitating the example set by some foreign Governments, of directly pushing individual speculations at the expense often of other merchants of the same nationality.

It is well nigh impossible to give this individual support, which, however, is undoubtedly the most effectual, without exposing Her Majesty's diplomatic and consular officers to the danger of being, at some given moment, suspected of improper motives for assisting one firm more than some other perhaps of equal standing.

I have, &c.,

F. R. PLUNKETT.

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No. 54.

*Memorandum by Mr. Constantine Phipps, secretary of embassy at Vienna.*

1. The Austrian Government have no commercial attachés.
2. The Austrian consular officers have to furnish annual reports very similar to our own. These are not laid before Parliament, but are published in brochures, several together, as they arrive, at Government expense, by the foreign office.

Certain consuls have to furnish quarterly and even monthly reports when instructed (in certain posts) to do so. These latter are published



in a paper (weekly), called the *Austria*, which is issued under the auspices of the ministry of commerce, with a subvention from Government. The *Austria* also makes extracts, when desirable, from the annual reports, and publishes information as to foreign tariffs, navigation laws, &c.

The following commercial newspapers, also giving extracts of the consular reports, appear in *Austria*:

The *Volkswirtschaftliche Wochenschrift*; the *Kammer*, with a supplement termed *Der Consul*.

A new paper has also lately been published termed the *Handels Museum*, issued by the *Orientalische Museum*, which is now to be converted into a *Handels museum* or commercial museum, where samples can be seen.

There is no journal like the French *Annales du Commerce Extérieur*.

3. The *Oriental museum* above referred to has exhibited samples of articles likely to find a sale in the East. It has hitherto enjoyed a subvention of about 800*l.* per annum, but a committee under Archduke Louis Victor and Count Coronini are hoping to have it increased to about 3,000*l.* per annum and make it a general commercial museum, where samples of all sorts can be seen.

4. Consuls are not allowed to act as agents, but they reply to questions as to solvability of foreign firms, or as to the demands in foreign markets when they receive applications to such effect.

They also regularly report (in certain neighboring countries only) commercial failures or bankruptcies.

Austrian consuls pass through the Government commercial school of commerce, termed the *Orientalische Akademi*, which is not, as its name would imply, restricted to oriental subjects or languages.

Out of ten Austrian consuls who receive appointments, probably nine come from it.

It does not appear that *Austria* does much officially to push her trade by direct interference. A chamber of commerce at *Alexandria* was organized a few months ago to push Austrian trade there. Recently a young consul, selected on account of his capacities and intelligence, was sent in a man-of-war which was cruising in Australian and Eastern waters in order that he should report on the markets for Austrian productions.

I see no disposition at the Austrian foreign office to promote interference in matters of detail in developing foreign trade which the Government favors by construction of railways, constantly increasing subventions to steamboat companies, &c. There is, however, a very strong agitation on foot to push foreign trade by means of the "*Oriental and Commercial Museum*," to which I have referred. How far the Government will be inclined to support it is doubtful. A general bureau for commercial information will, it is intended, be comprised in it.

Their secretaries of legation used to write reports, but have ceased for some years to do so.

Amongst the steps officially taken by the Hungarian Government to promote foreign trade, there is to be quoted in first instance the—

*Railway tariff policy* of the Government, one of the main objects and tendency of which is to regulate the tariff of freights in a way that the foreign trade of the country may be promoted and developed.

The Government also contributes to the *Lloyd* (Austro-Hungarian) *Navigation Company* at Trieste, and to the

*Adria Steam Navigation Company* in Fiume, with a yearly amount paid as subvention.

## HANDELS MUSEUM.

*Object.*—The chief object of the Handels Museum is the promotion of foreign trade.

The Handels Museum will have three divisions—

I. *Collections.*

(a) Home collection.

(b) Foreign collection (especially Eastern).

(1) Manufactures which may be exported to the East.

(2) Oriental manufactures, in order to show how to manufacture for the Eastern export.

(3) Articles of the East which may serve for the home manufacture.

II. *Bureau and Intelligence Department.*

III. *Library and Periodical Reports.*

To the maintenance and management of the Handels Museum the following corporations will contribute:

(1) The Ministry of Commerce.

(2) The Industrial Society.

(3) The Agricultural Society.

(4) The Forest Society.

(5) The Buda-Pesth Commercial Chamber.

(6) The Society of Merchants and Manufacturers.

(7) The Commercial Associations.

(8) The Buda-Pesth Lloyd Society.

(9) The Hungarian Commercial Club.

(10) The Commercial Academy (School).

The board of directors will be formed in a way that six members will be appointed by the ministry of commerce; and, besides, each of the above societies name two members.

This board of directors elects its own president and vice-president, to be ratified by the ministry of commerce.

The chief director of the museum is to be appointed by the minister of commerce.

The foregoing shows that the Handels Museum will be a *public undertaking*, and that the greatest influence therein is preserved to the ministry of commerce.

Besides the establishment of pattern museums and “bureaux of commercial information,” I may mention among the various measures adopted for promoting the foreign commerce of Austria-Hungary one which I believe will be interesting to Her Majesty’s Government, viz, the organization of the Oriental Academy for the education of candidates for the diplomatic and consular services, more especially in the East, where most attention is directed to the export trade.

The Oriental Academy is situated in the same building with the renowned “Theresiaum,” an imperial upper class educational establishment, but the Oriental Academy itself is under the control of the ministry of foreign affairs, to which all applications for admission must be addressed.

The academical course extends over a period of five years, and embraces education of the most extensive character.

The legal education is specially comprehensive, and few lawyers are likely to be conversant with the following legal knowledge required from the students:

Civil law, commercial law, the law of exchange, civil procedure, criminal law and procedure—in all these cases, not only Austrian but Hungarian. Diplomatic history, the law of nations, consular law, political

economy, the science of finance, statistics, Austrian local government laws, Turkish history and local government. A knowledge of articles entering into commerce as well as of trade laws is also inculcated.

Military geography and tactical science is taught, as well as riding and swimming.

In point of knowledge of foreign languages, the students who acquire those enumerated below are likely to be rivals of Mezzofanti: "Turkish, Arabic, Persian, Hungarian, French, Italian, English, Russian, modern Greek, Servian"—all these have to be learned.

The conditions of admission are Austrian or Hungarian citizenship, complete knowledge of the German and French languages, and a cursory knowledge of at least one of the languages spoken in the monarchy; also the possession of a certificate of maturity from one of the gymnasium schools. The candidates must pass an admission examination, *viva voce*, as regards knowledge of universal history from the Peace of Westphalia up to the Congress of Paris in 1856, while they have to write a German theme on a given subject, and to make translations from French into German, and *vice versa*.

The ministry of foreign affairs decides by means of a delegate—one of its principal officials—what candidates are to be accepted.

The annual payment for the students amounts to 1,300*fl.* (about 100 guineas). They must be provided with a certain outfit on entering the establishment, but during their residence all other expenses, even of clothing (uniform), are defrayed.

The students who, after the five years' course of instruction, have achieved an "exhibition" ("stiftplatz"), have a claim to the posts of "Elevés Consulaires"; those, however, who do not succeed in qualifying for one may obtain appointments as vacancies occur.

VIENNA, *June 23, 1886.*

#### IV.—CIRCULAR DISPATCH TO HER MAJESTY'S CONSULS ABROAD, WITH THEIR REPLIES THERETO.

No. 55.

*Circular addressed to certain of Her Majesty's consuls abroad.*

FOREIGN OFFICE, *April 9, 1886.*

SIR: You are probably aware, from recent statements in newspapers, that the subject of the assistance which has been rendered by Her Majesty's consular officers to British trade abroad, and whether in the future greater aid could be afforded in this respect, has lately been much discussed in this country. I am directed by the Earl of Rosebery to say that he would be glad to receive any observations or suggestions which you may have to offer as to greater assistance which Her Majesty's consuls could usefully render to British commercial interests; and as to the proper limits, in your opinion, of their action, generally, in questions of trade, or on behalf of British traders.

Your reply to this dispatch should be sent in as soon as possible.

I am, &c.,

J. BRYCE.

[Annex.—Extract from Consul-General Bernal's commercial report for 1885.]

It is, I think, agreed on all hands that every possible means should be taken to push and foster our trade, and I have seen many suggestions made to that effect. Among others, it has been proposed that consular officers should become a kind of general agents for this purpose, have samples of goods of all sorts, &c., sent them for exhibit, and should endeavor to bring them to the notice of the merchants and dealers of their place of residence; but a little reflection will show that such a plan would be both impracticable and impolitic. Not only are consular officers without the technical knowledge required for the work, but they have neither, from their position and the many varied duties they have to perform, the time, the means, nor the space to undertake it. Even were this otherwise, the consulate would either be so important a one that the consul's whole time would be taken up attending to its ordinary duties, or would be of so little importance that there would be hardly any opening for our trade. Havre having become more of a place of transit than a center of distribution, there is not as much to be done in pushing our trade as formerly; but I have been surprised to find, as far as I can learn, how rarely a commercial traveler comes here from England. I cannot help thinking this is a bad policy, and that there must be some branches of business in which an intelligent traveler, speaking the language (this last is most essential), might do well. In agricultural machinery we have been, I am told, quite ousted here by the Americans; while in cutlery, in which we formerly did a good business, there is now hardly anything done by us, partly owing to the pressure of the French tariff, and partly to the improvement made by the French in certain classes of goods.

I periodically receive a number of trade circulars, illustrated catalogues, &c., from England, sent me doubtless in the hope that I may be able to bring them to the notice of persons interested in the different articles therein set forth. I have, however, no means of doing this other than by either passing them on to the reading-room at the Bourse, or by giving them to one or two firms who, I think, may care to see them. I am afraid that neither of these measures is productive of much benefit, and I think some more active course of proceeding is required if our trade is to be pushed. Among various projects mooted I have observed that of floating exhibitions to visit various ports in turn. This would, doubtless, be of some good in distant countries; but it would, I think, be neither thorough nor of permanent benefit. I cannot help being of opinion that a better plan would be to have, in certain well-chosen centers in foreign countries, fixed exhibitions, or depots of samples, and models of British manufactures, &c., where people could see for themselves, without any charge, what we had to offer. The expenses would have to be defrayed out of a fund contributed to by members of an association formed for the purpose. The two essential points of management would be to take care that those persons who were placed in charge should be thoroughly competent to explain the various details, &c., of the exhibits, and that in marking the prices the actual cost and the duty should be separately given. One thing is certain, that in these days of fierce and energetic foreign competition, backed up by protection, it is quite useless to sit quietly in a counting-house and expect customers to drop in of their own accord.

No. 57.

*Consul Inglis to the Earl of Rosebery.*—(Received April 19.)

LEGHORN, April 14, 1886.

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If a larger proportion of the requirements of consumers in this country is now supplied from Germany and Austria, I believe it may be traced in a great measure to the energy of their commercial travelers. There are also a considerable number of German houses here, in many instances started by young men who came here a few years back as employés. They are satisfied with small profits, and live with the utmost thrift. With regard to the development of native manufactures another point is also worthy of notice, and was set forth by Mr. Stephen Mason, of Glasgow, in a paper annexed to the first report of the commission on trade depression. It is that large quantities of spinning and weaving machinery have been imported here from England, and that in many instances the same class of machines are run twenty-two hours per day against nine hours in England, by two sets of relays, working day and night. This is the case at the cotton reeling works of Messrs. Niemach, near Lucca, which have been referred to in a former report from this consulate.

I have, &amp;c.,

A. P. INGLIS.

No. 58.

*Consul Ward to the Earl of Rosebery.*—(Received April 20.)

BORDEAUX, April 16, 1886.

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It would, according to my opinion, certainly be of greater advantage to those interested in the annual consular reports, as also in subjects specially reported on upon other occasions, if it were found possible to publish all such reports (at the earliest possible date) in the form of a periodical publication, issued monthly or oftener; and it would further be of advantage if such publications could be regularly supplied to Her Majesty's consulates, where all British subjects interested in such matters might peruse them if they desired.

The preparation of the annual commercial reports, if undertaken with care, is generally, and of course more especially in more important ports and places, a work requiring much time and labor; and, considering the multifarious and often onerous duties, as well as the necessarily small staff of assistants at the more important of Her Majesty's consulates, I humbly submit to your lordship that it would be hardly possible for most of Her Majesty's consuls to send periodical reports of a voluminous nature oftener than once a year. But it would, I believe, be of advantage to British commercial interests, as well as to the consuls themselves in furnishing these reports, if our chambers of commerce and shipping and other commercial bodies would from time to time point out, either by communicating directly with Her Majesty's consuls or by addressing your lordship's office, any partic-

ular subjects which they might desire to have noticed or dwelt upon at greater length in these annual reports, or upon which they might wish to be furnished with special reports by Her Majesty's consuls.

2. With regard, secondly, to the assistance to be rendered by other means by Her Majesty's consuls to British traders, it seems to me to be a well-established rule (which I beg to observe is also a leading principle in the consular services of other countries, such as Germany and the United States of America), that Her Majesty's consuls cannot act as private agents for British firms or associations or for individuals, and that any deviation from this rule would certainly carry with it disadvantages and prejudicial effects both for the interests of the public service and for consuls themselves, and also for British commercial interests as a whole.

That, however, on the other hand, Her Majesty's consuls can find opportunities of rendering themselves useful to British traders in many ways, without deviating from this rule, appears to me equally evident. For having had the honor of holding consular posts in various parts of the world for more than twenty years, I can myself humbly testify to the considerable number of cases in which I alone have been able to render services to British firms or individual traders, both by information or advice imparted either in the way of correspondence or of personal interviews, as also on some occasions by my intercession with the local authorities, or by other kinds of assistance, at this and other ports where I have been resident.

In this respect it would seem to me that the general instructions given by the foreign office to Her Majesty's consular officers, viz, "to promote the lawful trade of Great Britain by every fair and proper means, and to uphold the rights and privileges of British merchants," are to all intents sufficient, and no fresh instructions on this subject could enhance their meaning. Guided by the spirit and the letter of these instructions, consuls who are really desirous of rendering themselves useful to British commercial interests will at all times afford every assistance that can reasonably be expected from representatives of Her Majesty's Government by British traders. It is perhaps needless to add that the value of such assistance must of course depend, to a considerable degree, upon the intelligence and individual character, as well as of the experience, of the consular officer. But even the most intelligent and experienced consuls cannot be expected to have the same knowledge of commercial affairs as merchants themselves, and no assistance which Her Majesty's consuls are able to render to British commercial interests can, in fact, according to my humble view, make up for the want of initiative and individual efforts and spirit of enterprise on the part of British traders themselves; for it is these characteristics which have been the chief promoters of British commerce all over the world, and which will, it is to be hoped, continue to actuate our commercial classes, whilst those of many other countries rely on Government assistance in its various forms.

I would finally beg leave to observe that the closer touch desired between Her Majesty's consuls and British firms at home (referred to in annex 3 of Mr. Bryce's circular), as well as more frequent opportunities for consuls to visit our commercial, manufacturing, and shipping districts, would certainly be of advantage to all concerned; but the possibility of carrying this desire into practical effect—that is to say, of Her Majesty's consuls being able, from time to time, to make such visits, and to be brought into personal contact with representatives of our commerce and industry at home—must, I humbly presume, depend

chiefly upon whether your lordship might think fit to grant extended leave of absence and pecuniary allowances for such purposes to Her Majesty's consuls.

I have, &c.,

WILLIAM WARD.

No. 59.

*Consul Bidwell to the Earl of Rosebery.*—(Received April 27.)

MALAGA, April 21, 1886.

MY LORD: In obedience to the instructions contained in Mr. Bryce's circular dispatch, marked "commercial," of the 9th instant, I have the honor to submit to your lordship the inclosed report relative to the greater aid which it is desired should be afforded by Her Majesty's consular officers to British commercial interests.

I have, &c.,

CHARLES T. BIDWELL.

[Inclosure in No. 59.—Report by Consul Bidwell.]

Passing to the letter from Sir J. Behrens, it also would appear that there would be no great difficulty, under certain conditions, in carrying out the suggestions made by this gentleman, as far as the information required is obtainable by the consul; many of the subjects indicated being also already considered and treated of by Her Majesty's consuls in their commercial reports.

With regard to the industrial museums referred to by Sir J. Behrens, it is thought that they would probably be very useful as showing the wants of foreign people. It may be observed, however, that there are two ways of introducing trade in a foreign country: one by meeting the ascertained requirements of a community, and endeavoring to supply them, and another by the introduction of new and improved classes of goods. The persons accustomed to coarse clothing, springless carts, a sheath knife, and a wooden spoon will probably never employ the more modern appliances unless they first see them. In the writer's dispatch of the 18th ultimo, a suggestion was submitted for the establishment abroad, in connection with Her Majesty's consulates, of sample and specimen rooms of British manufactures and goods, and it is submitted that this suggestion, if it should not meet with the disapproval of the secretary of state, may be brought under the consideration of the Chambers of Commerce.

The suggestion as to a periodical publication of reports and notices, &c., appears also to be an excellent one; but it is doubted whether a monthly or fortnightly issue would not be more practical than a weekly one.

With respect to Mr. C. E. Bousfield's letter to Mr. Kennedy, it need only be added that the suggestions contained therein appear to be quite practicable and very much to the point.

The suggestion in particular that Her Majesty's consuls should be invited to visit commercial centers at home appears to be a very useful one; on the other hand, it is thought that consuls should be encouraged to travel in their own district for the purpose of acquiring information, since unpaid British consular agents sometimes lack both time and means for preparing commercial reports.

In order to carry out efficiently the suggestions contained in this correspondence, and to meet the apparent views of the commercial community at home in regard to the assistance in the promotion of trade to be rendered by Her Majesty's consuls, it would doubtless be necessary to relax in some measure the rules at present in force relative to not incurring expenses without the special sanction, in each case, of the secretary of state. It is illusory to suppose that underpaid foreign Government officials and clerks would care to furnish British consular officers with such early information as they may properly afford regarding changes in tariff laws, trade statistics, &c., without remuneration, whereas a small fee judiciously given at the time acts as the most powerful lever, if not the only one, for the purpose; but if Her Majesty's consuls are required to apply in each case for special sanction for making the dis-

bursements, the main object in view, as to early information, would of course be frustrated. It is suggested, therefore, that discretion, within prescribed limits as to amount, might be vested in Her Majesty's consuls in respect to these matters, similar to that now reposed in them respecting telegrams, and that disbursements under these headings should be authorized and charged in the consul's accounts on his certificate. The following extract from a letter from a vice-consul at an important post in this district will serve to show the difficulty that now arises in regard to this matter:

"January 14, 1886.—In order to fill up conscientiously the forms annexed" (foreign office circular dispatch of the 22d December, 1885), "information must be obtained from some official source, and as this will involve a considerable amount of trouble, and will also take time, it will only be fair that the official supplying this information should be remunerated for his labor. I have therefore to ask you if the Government is willing to defray such expenses, and, in the case of its not being willing to do so, I must ask you to point out to me from what sources I shall be able to obtain the desired information."

And with regard to sending home promptly, for periodical publication, translations of foreign tariffs and notices and laws relating to trade and industry, called for in the suggestions under consideration, it must be borne in mind that in all the more important consulates the clerical staff is generally fully occupied with the regular work of the office, and that transactions and reports, as a rule, can only be done when the more pressing duties connected with shipping, &c., allow it. In order, therefore, to stimulate unpaid vice-consuls and consular clerks to work in such cases at night and after the ordinary office hours, it is suggested that special extra remuneration might be granted for copying reports and translations for publication, on the scale stipulated in the new tariff of fees for such work.

Nor would it hardly be proper to require Her Majesty's consuls to provide clerk hire, and undertake without remuneration, in addition to their official duties, the particular business of merchants and traders at home. It is fair to state, however, that, in the majority of cases, the request for consular assistance is accompanied by a statement that the applicant would be willing to defray necessary expenses and pay consular fees. The difficulty which has hitherto existed as to what fees or remuneration, if any, might be properly levied for such services has, however, now been removed by the new table of fees. It is, of course, one thing to restrict a consul from engaging in mercantile pursuits, and another to debar him by too stringent regulations from aiding British merchants engaged in trading operations in his district as well as those at home. Merchants trading abroad are now in the habit of applying to Her Majesty's consuls for all kinds of information and assistance in their business, and particularly for lists of firms dealing in the goods which they are prepared to supply: and it is the practice of the writer, as far as possible, to afford such information, irrespectively, to all who may apply for it. It is believed, moreover, that Her Majesty's consuls generally are most willing to furnish merchants and traders at home with such assistance.

It is suggested, therefore, that consuls might properly be directed to undertake services of the nature referred to upon the understanding that fees provided in parts 3 and 4 of the new table of fees would be applicable in such cases, and that the commercial community should be informed accordingly. A case in point may be cited in illustration of these observations. A firm of coal exporters in England lately had a question of considerable amount with a local merchant, arising out of the charges on a consignment of coal. After fruitless attempts to arrange the difference, the English firm sent out the case to Her Majesty's consulate, with a request that a lawyer might be appointed to prosecute their claim. In view of the expense and difficulty in obtaining justice in a Spanish law court, it was suggested by the writer that it would be better to allow him to try to arrange for a compromise. After much correspondence and several interviews, the matter was satisfactorily settled by the consul. In this case the fees in the new table of fees for clerks' attendance out of office, &c., were charged and willingly paid, and they were, in fact, probably a twentieth of what a Spanish lawyer's fees would have been, with a very doubtful result.

The preceding observations may be briefly summed up as follows:

1. Her Majesty's consuls to be instructed to report on the various subjects indicated in the letters from the British iron trade association, Sir J. Behrens, Mr. Bousfield, and Mr. Sturrock, which form annexes to Mr. Bryce's circular, marked commercial, of the 9th April, 1886, and on such other matters as may from time to time be useful.
2. The reports to be published monthly, with full indices, and to be acknowledged, with observations.
3. Her Majesty's consuls to afford every assistance in their power to merchants or contractors willing to undertake business in foreign countries, within such limits as may be defined, and under such instructions as may be issued by the Secretary of State, but with due care not to promote the interests of one British subject as against another.
4. The establishment of commercial museums, as indicated by Sir J. Behrens, and consular specimen rooms abroad, as suggested by the writer.



5. Her Majesty's consuls to visit commercial centers at home, and to travel as much as possible in their own district.

6. Her Majesty's consuls to assist private firms in establishing just claims against creditors abroad, and to furnish required information generally to persons willing to pay necessary expenses and fees, and the public to be so informed.

7. Her Majesty's consuls to be allowed to pay for information promptly afforded abroad, and to charge for early copies and translations of documents sent home for publication.

MALAGA, April 21, 1886.

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No. 60.

*Memorandum by Consul Bidwell, suggesting the establishment of specimen and sample rooms for British manufactures and produce in connection with Her Majesty's consulates in foreign countries.\**

In the report which the undersigned had the honor to draw up for the Royal Commission on the Depression of Trade and Industry, certain suggestions are offered for the extension of British commerce in foreign countries, by means of a system of local agencies abroad and registry offices at home; but there is another matter to which the writer's attention has been directed by the apparent public desire for consular assistance for the promotion of British trade abroad, in regard to which it is desired to submit the following observations respecting a proposed scheme, which has in some degree been suggested by the interesting report of Mr. Kennedy and Mr. Bateman relative to commercial museums in Belgium.

As stated in the writer's report referred to above, there is no doubt that French, German, and Belgian firms derive considerable trade in foreign countries by the pains which they take to bring their manufactures under the notice of the foreign buyer and consumer, whilst it is no less apparent that many foreign houses will prefer to give their orders *viva voce* rather than write to England for goods about which they are perhaps not fully informed, while the course which affords most facilities will generally be that which is adopted; everything, in fact, which tends to lessen trouble will assuredly, as regards a certain class of purchasers, facilitate the obtaining of orders; moreover, those traders and others who can not afford, or do not care, to visit the manufacturing centers at home, often remain in ignorance, to an extent little credited, as regards the best productions of the country.

The plan which it is now suggested might be usefully adopted is the establishment of specimen and sample rooms for British manufactures and goods, to be attached to and in connection with Her Majesty's consulates in the more important commercial cities in each foreign country, such establishments to be under the supervision of Her Majesty's consuls.

These rooms, it is thought, might contain samples, specimens, drawings, or models of such articles of British manufactured goods as the chambers of commerce, interested in their production, may consider it desirable to collect and send abroad for exhibition, whilst the collection of articles for the purpose by the chambers of commerce would avoid the sending out of an unnecessary repetition of the same class of goods.

The specimens might perhaps usefully comprise such goods as cotton yarns and tissues, hosiery, woollen goods, yarns and tissues, carpetings, oil-

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\* The proposal contained in this memorandum has also been embodied in Mr. Bidwell's annual Trade Report (see "Commercial No. 6, 1886").

cloth, linoleum, cloth textiles, linen yarns and textiles, jute yarns and textiles, leather goods; glass, porcelain and earthenware, stationery, saddlery, books, guns, musical instruments, preserved provisions, biscuits, chemicals, dyes, candles, soap, &c.; and plans and models, drawings and photographs of steam-ships, launches, and boats, steam-engines, machinery, carriages, pianos, furniture and heavy goods generally, of which specimens could not be conveniently sent abroad for exhibition.

It is suggested that a clerk, appointed by the consul for the purpose, should take charge of and catalogue such goods as might be sent out from time to time for permanent or temporary exhibition, and that he should be in attendance at convenient times to afford visitors information as to the cost of the articles at home and the probable expenses of carriage duty, &c., and also to place intending purchasers in connection with the manufacturers.

It is considered that the charges for clerk hire, rent, portorage, &c., of such an establishment as that indicated, at each place where it might be deemed desirable to have specimen rooms, need not be great; and on those specimens which could be kept within the prescribed limits in foreign tariffs for samples no charge for duty would be incurred. It is thought, moreover, that these charges might be borne by the respective chambers of commerce in Great Britain, who in their turn could raise the necessary funds by subscription, or fee, from such manufacturers as might desire to take part in the scheme, and send out specimens of their goods for exhibit.

The importance of showing intending purchasers where they can best supply themselves with the articles they require need not be dilated upon, and it appears to the writer that in no way, probably, could the chambers of commerce at home and Her Majesty's consuls abroad more advantageously work together for the promotion and extension of British trade in foreign countries in these times of German, French, and Belgian competition than by constantly keeping the excellence of British manufactures before foreigners, in some such way as that now briefly submitted for consideration, if a scheme of this nature should meet with the approval and sanction of Her Majesty's Government.

CHARLES T. BIDWELL.

BRITISH CONSULATE, MALAGA,  
March 18, 1886.

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No. 61.

*Consul Bonham to Earl of Rosebery.*—(Received April 27.)

BOULOGNE, April 24, 1886.

MY LORD:

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The depression in British trade is acknowledged, and there is no doubt that foreign competition is running British manufacturers very hard, but the idea that Her Majesty's consular representatives may be able, by any action of theirs, to restore the supremacy of British trade may be flattering to them, but is not practical.

The method adopted by retail purchasers abroad for procuring the goods they require has greatly altered with the improved postal and

telegraphic communications and increased facilities for transport, and I would, with deference, submit the question whether our manufacturers have sufficiently recognized these changes and adapted themselves to the altered circumstances.

Many years ago, when shopkeepers and others abroad required British goods, they obtained them through a commission merchant, generally an English one, at or near their place of residence. This firm procured and paid for the goods in England, and received payment itself in cash or bills on delivery. This was in the days before competition became so severe. I believe I am correct in stating that this style of business has greatly changed, and that now in very many countries the intervention of the commission merchant is dispensed with, and the goods are obtained direct. This has advantages for the purchaser, who saves the merchant's commission, but probably not for the manufacturer, who is often unacquainted with his client, but in his anxiety for a market supplies the goods, and frequently makes bad debts.

I think the foreign manufacturers have realized the altered situation and adapted themselves to the circumstances better than the British manufacturer, and hence arises much of their success.

I believe they employ commercial travelers to a far greater extent than British houses do. This is most advantageous, as these travelers are specially versed in the trade or business of the firm or firms they represent; they see what the special requirements are, and know which of their products are most suitable, or how they can be rendered so; they can also obtain better information as to the standing of their clients, and are less likely to make bad debts. I am therefore of opinion that the really efficacious method to be adopted by our manufacturers is for them to send abroad more commercial travelers, who should possess not merely a slight knowledge of the languages of the countries they visit, but be able to converse in them, and also be men of good education.

With regard to British consuls rendering assistance to British subjects individually in pushing their business or obtaining concessions, &c., I cannot help thinking it would be very undesirable that they should do so, except, perhaps, in exceptional cases in uncivilized countries.

If a consul received an application from a firm in England, with whom he is probably unacquainted, expressing their desire to open business relations with some firm in his vicinity, through whom they could obtain a sale of their special manufactures, how would the consul recommend Mr. A., since, should that party fail, even after the lapse of some months or years, or any dispute arise, would not the English firm at once complain of the consul for having recommended the party?

On the other hand, if there were several British merchants at the port, and the consul recommended Mr. A., would not the others at once cry out and accuse him of favoring one more than another, and make insinuations, if not direct accusations, that he did so from interested motives? Much the same would occur, and, I believe, has occurred, when the consul has recommended a lawyer. If the case was lost, the costs very heavy, or great delays took place, would the consul not be appealed to and considered responsible for these occurrences? Again, as to a consul's replying to inquiries as to the position or standing of merchants or others, I do not consider he should be called upon to do so; if he did so in one case and declined in another, it would at once raise suspicion, and I do not suppose his communication would be considered in law as privileged, and therefore he might be subjected to

prosecution if he reported unfavorably of a person's character, standing, or financial reputation.

With regard to consuls reporting more fully on trade and commercial matters generally—

It appears to me that information on many of the points mentioned in the suggestions made to your lordship is not such as could properly or easily be supplied by every consul; it relates to a whole country, and it should therefore, in my opinion, be the duty of one special officer, whether consul or commercial attaché, to supply such information for the whole country. This specially applies to the suggestions that any change of tariff, whether under consideration or already officially announced, should be at once reported. I would remark on this, is it desirable that every proposed change should be reported? Would it not be better to await to report such changes until they actually become law? Suggested alterations may be very numerous and sweeping, but it is probable that only a very small percentage are actually made. Consuls at outports would probably know nothing of these proposed changes. Then, again, laws relating to trade and industry—these are probably applicable to a whole country, and should therefore be reported upon by one official in that country.

The statistics supplied by consuls refer to their own particular port or district, and it would be very difficult for all consuls to obtain them in exactly the same form or at the same period. Consuls are dependent on the personal courtesy of the local authorities; some furnish statistics freely, whereas others do not; and the forms in which they can be obtained vary. Obtaining statistics is often a very difficult and disagreeable business, and I think I may say that in every country I have been in I have found discrepancies in the figures; they are often given as a personal favor, and it is not desirable to look a gift horse in the mouth, and if consuls are too exacting they end by getting little information or assistance.

In many countries statistical information is published by local chambers of commerce and other public bodies, but this is generally many months old; whereas in the capital statistics for the whole country are frequently published at an early date, and also give a better idea of the trade of the country than those obtained from isolated ports.

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I have, &c.,

E. W. BONHAM.

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No. 62.

*Consul-General Sanderson to the Earl of Roseberry.*—(Received April 26.)

GALATZ, April 20, 1886.

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The great competition which exists at the present day has developed what I may be permitted to describe as (1) a public want, and (2) a private desideratum.

The public want is that which is set forth in the letters received from the different chambers of commerce, the desire for more detailed information in respect of every opening that may present itself for British trade, commerce, and industry, the widest possible publicity to be given to such information in order that all may be in a position to avail them-

selves of it. But the private desideratum is that, if I may say so, of the individual members of the trading community to retain in their own hands, as long as they possibly can, any business out of which in these hard times they can make a tolerably certain profit. I conceive that instances are not wanting of individual members of a chamber of commerce being in possession of certain information respecting foreign trade to which it would not be in their interest to give the widest possible publicity, and which they would be rather sorry than otherwise to see published in a consular report. Be this as it may, commercial travelers very rarely present themselves at this consulate-general; when I was endeavoring in 1877 and 1878 to collect material for supporting reductions in the Roumanian tariff it was with the greatest difficulty that I could obtain invoices and price-lists on which to base my arguments; and latterly the great complaint that has been made in respect of the demand of the Roumanian Government for certificates of the British character of goods claiming to be admitted under the treaty stipulations has been, not the trouble or the expense, but the fact that in this way the nature of the goods shipped, and in some instances their prices, become known to people who might enter into competition in the same branch of trade. The individual interests and those of the community at large are thus in a certain measure opposed to one another: it is rather with the former than with the latter that the consul comes in contact, and these as a rule prefer to be left alone unless they ask for assistance.

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I have, &c.,

PERCY SANDERSON.

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No. 63.

*Consul Brown to the Earl of Rosebery.*—(Received April 26.)

[Extract.]

GENOA, April 22, 1886.

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I think that while our instructions as they stand, if properly understood and industriously carried out, are sufficient, it is of great advantage to us, and greatly promotes our usefulness, if our attention is from time to time called to points we should more particularly study and report upon.

It is, generally speaking, far easier to report on a subject if one starts from a basis of questions drawn up by a competent person than to form a wholly original report. The reports of the United States consuls are held up just now as a model, and I think that their undeniable merit is due to the fact that they are, for the most part, based on questions directly suggested by traders and industrials.

United States consuls make one annual report, as we do, but they are far oftener called upon for reports based on lists of questions which serve not only to elucidate the report of the moment, but to keep them alive to the sort of information most desired, and even assist in giving a useful shape to their annual and other reports. Their annual reports appear to me the least interesting and valuable of the series.

The very practical circular issued to us in December last will do much to make our reports shorter and more to the point, but the annual reports of those of us who live in countries where official statistics are both in arrear and unreliable can never be of any great value. It is a regular case of "making bricks without straw," and for those who really are anxious to do their duty a heart-breaking business.

No doubt the annual report has a value of its own, but it should certainly be written in the spirit of our recent instructions, and should not attempt too much detail, a separate report being sent in whenever the consul feels confident that he has reliable information enough on any special subject to make a report.

One point of special importance is the subject of hastening as far as possible the publication of the information sent in. It would be quite beyond my competence to make any suggestions on the means of doing this, but I may mention that the United States publish a volume of consular reports monthly, and also issue volumes in the same form at irregular periods.

The German consular reports appear in a monthly publication of the foreign office, the reports being edited, and either the full reports or extracts only being published, according to circumstances, extracts from papers and other miscellaneous information appearing in the same publication.

The Austro-Hungarian consular reports appear in a weekly publication issued by the minister of commerce, and are also "edited," and other commercial information appears alongside of the consular reports.

The French also publish their reports weekly, I believe, so that our chief competitors in trade all manage to get into print faster than we do, recognizing in a practical way that the very essence of usefulness in commercial information is that it should be quickly conveyed to those who make use of it.

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#### No. 64.

*Consul Wrench to the Earl of Rosebery.*—(Received May 1.)

CONSTANTINOPLE, April 26, 1886.

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The main cause of the falling-off in British trade rests with the merchants themselves, who, instead of imitating the example of the Germans (whose success they so much deprecate), think it unnecessary, from motives of economy or from indolence, to send agents or commercial travelers to foreign countries to advance their interests, and appear to expect that our consuls and the officials in England will replace the services of such men. After investigation the merchant will find that it is not on the consul that the German merchants depend for their information, but on the commercial agents dispatched by them to all parts of the world. Odessa, at times, is overrun with German commercial travelers. Steady, intelligent men, speaking at least one language in addition to their own, who seem to devote both time and energy to the business of their employers, some of them, I am assured, making their headquarters at Odessa, Kieff, and other important cities. These persons possess a small pecuniary interest in the purchase or sale of goods, and, as a consequence, they do their utmost to increase the trade of

their masters. They, moreover, enjoy the confidence of their employers, who allow themselves to be guided by their opinions, whereas the English merchants are said to pay little or no attention to the suggestions of their agents. Added to this, the English commercial traveler is rarely to be met with here, and when he does put in an appearance finds it difficult to do business through his ignorance of foreign languages. This, I am told, is especially the case in the interior of Russia, where a knowledge of German or Russian is very necessary.

Again, the Germans invariably employ their own countrymen as resident agents. The English just as frequently give their agencies to foreigners or natives. This has always appeared to me to be a grave mistake, for although the foreigner or native is ready enough to fill his own pocket, he really cares little or nothing for the interests of his English employer, and I know instances where agents for English firms have gradually ousted English ships and English goods, and supplanted them by ships and goods of their own country.

The Belgian manufacturer, by means of his commercial agents, has also cut the ground from under the feet of the Englishman in this part of Russia, and it could not easily be asserted that the cause of this improvement in the import trade of Belgium has been brought about by other means than the employment of commercial travelers.

The English merchant, until quite lately, has had more than his share of the trade of the world, and has made money so easily and so plentifully that he has grown overconfident, and cannot now realize that the merchants of other countries have put their shoulders to the wheel and relieved him of some of his profits. More than this, the English as a rule wish to deal for cash, while the German and other foreigners are only too glad to accept orders on long credit.

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[Inclosure in No. 67.—Memorandum.]

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It can, however, scarcely be denied that there is now a visible decadence in individual enterprise, due, perhaps, in some degrees to the influence of joint-stock companies; and were such not the case, the present appeal for Government aid to commerce would probably not have been made.

Internal and foreign competition, by reducing mercantile profits to a minimum and, as it were, pulverizing trade, does not apparently admit of the expenditure incurred in a previous, more prosperous, period in searches after new markets or in local studies of old ones by direct agents and travelers.

The luxurious standard of living in Great Britain, and the consequent high remuneration of all descriptions of work performed within exceptionally fewer statutory or customary hours of labor (frequently, like wages, regulated by strikes), combined with a decidedly defective education in regard to the practical acquisition of foreign languages, undoubtedly places the modern British merchant and manufacturer at a disadvantage in relation to his foreign, and principally his German, competitor.

Consequently, while the frugal and well trained and practically instructed commercial traveler for a German house is ubiquitous abroad, studying markets and the standing of customers, taking orders for small but numerous amounts at risks minimized by minute local knowledge, it is only the larger English firms that are occasionally found represented on the continent of Europe by fairly competent men.

Thus, in Norway, where Germany does a large business in manufactured goods, the hotels at all the small ports, from the Naze to the North Cape, are full of German commercial travelers, the apparition of a British colleague being an exception of the utmost rarity.

With the object, partly, of assisting such travelers, more than thirty British vice-consulates have been established along the Norwegian seaboard, and although attention has been called to that fact in consular reports, it has been a matter of disappointment to find that German commercial agents continue to have it all their own way in a country so little distant from our own shores.

It is futile to expect that the activity of such agents can ever be replaced by that of consular officers, however able, vigilant, and zealous they may be. The want of technical knowledge alone in regard to manufactures precludes them from obtaining the more minute practical information which merchants and manufacturers require in the manifold branches of industry and trade that now encounter so keen a competition.

As regards the present indirect co-operation of consular officers in the promotion of British trade and navigation, it is afforded chiefly in the form of annual reports of a retrospective character, constituting in their aggregate a kind of commercial barometer, of which the registrations, in order to be of value, must be clear and infallible.

It may be admitted that those reports are open to improvement in respect of their contents and internal arrangement. They generally convey much of the information to which Sir Jacob Behrens calls attention under paragraphs (a) to (g), excepting, perhaps, "Reports on all Popular Movements," which would seem to belong to the political series of dispatches.

The reports are only somewhat defective in system and uniformity, for while some may be found too discursive, others are too dry and brief. They should all be prepared, so far as it may be judged practicable, on a common plan for arranging and tabulating materials, and refer to recent and simultaneous periods.

Limited in scope to specified subjects under well-defined headings, the principal object of the reports should be to record the contemporary fluctuations of trade, keeping always in view the paramount necessity of watching the progress of foreign competition with British goods and shipping.

A further improvement would consist in issuing the consular reports in groups of countries, not merely in the order of their receipt at the foreign office. Thus, the various reports, timely rendered, from France, Belgium, Germany, Scandinavia, &c., would be contained separately or jointly in earlier volumes than those referring to countries more distant.

An index could be added to each such volume instead of to each report, as suggested by Mr. Jeans.

In order to stimulate the zeal and emulation of unpaid British vice-consuls and consular agents, who are generally local merchants, they should be supplied with a copy of the volume in which their reports severally appear, superintending consuls receiving, as heretofore, all the volumes published by the foreign office.

So long as the United Kingdom stands so regrettably aloof from the decimal system of weights and measures adopted with so much advantage in most other European countries, the conversion of foreign weights and measures into English equivalents should be the rule in consular reports; and that operation would be rendered less laborious and faulty than it is at present if tables of equivalents for each different system of weights, measures, and coins were prepared at the board of trade and issued to consular officers.

THOMAS MICHELL,  
*Her Majesty's Consul-General for Norway.*

HULL, April 30, 1886.

No. 68.

*Consul Joel to the Earl of Rosebery.*

CADIZ, April 29, 1886.

It should be understood that Her Majesty's consuls are not to give an opinion as to the commercial standing of a merchant or firm engaged in business in his district, as the giving of such information implies a certain amount of moral responsibility which consuls should not be called upon to assume, especially as such information could be more readily obtained by the party desiring it through his bankers.

In conclusion, I beg to say that British merchants do not evince that amount of enterprise and self-reliance, nor do they appear to take that



interest in the requirements of foreign markets, which is shown by their French, German, and Belgian competitors. Agents or travelers for French and German firms are continually visiting Cadiz, and they are enabled to give their employers valuable information, resulting from their knowledge and experience in their respective trades, while British merchants seek to extend their business through the medium of information derived from the consul, who, however desirous he may be to facilitate British commerce generally, cannot go into every particular case as though he were an expert in every trade comprised in the commerce of the world.

I have, &c.,

LEWIS JOEL.

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No. 72.

*Consul-General Grattan to the Earl of Rosebery.*—Received May 7.)

[Extract.]

ANTWERP, May 6, 1886.

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I am fully conscious of the importance attached to the suggestions which have been made to Her Majesty's Government on this subject, and I am of opinion that many of these suggestions might without much difficulty be carried into effect.

1. As respects the desire manifested that information generally should be transmitted home earlier than is at present usually the case, I would remark that much depends in this matter upon the time of publication in each particular country of statistical and other official returns.

In Belgium, the annual trade report issued by the minister of finance is not published until about the month of November in the year following that to which the returns refer, while the reports of the municipal authorities, chambers of commerce, and other public bodies do not appear at a much earlier date.

The only particulars, consequently, relative to trade and industry available here at the close of each year, or the beginning of the next, consist of the summaries published in the leading mercantile journals, which are no doubt useful, and sometimes interesting, but are necessarily very incomplete.

Means might, perhaps, be found to obtain, through the local authorities, earlier information respecting trade matters upon certain points.

The annual returns of navigation are published, as a rule, in the month of January.

2. The suggestions respecting a more convenient mode of drawing up consular reports, so as to enhance their practical value, in view of the requirements of commerce, have already, I imagine, been met to a considerable extent by the recent foreign office instructions on this subject.

3. The question of government or other public concessions in respect to important undertakings, such as loans, railways, harbor improvements, &c., is also one of interest. The general system adopted in Belgium in such matters is that of giving notice by public advertisement of all important public works in contemplation, inviting tenders for the

same, and communicating to parties, on application, the terms of the proposed contract ("cahier des charges").

Without being able to state precisely the particular relations to all recent concessions, I may mention that, to my knowledge, several English firms have participated of late years in the execution of public works in this city, such as the following: Sir William Armstrong & Co., who contracted for the supply of hydraulic cranes and other work in connection with the maritime establishments; the Imperial Gas Company of London, for the lighting of the town of Antwerp; the Antwerp Water Works Company of London, for the supply of water to the town; Messrs. J. L. Bacon & Co., engineers, for the heating of various public establishments; Messrs. Easton & Anderson, for providing lifts for the new hospital, &c.

In this connection I take leave to mention to your lordship that I have been promised that in future a copy of all "cahiers des charges" relating to works about to be undertaken by the municipality of Antwerp will be communicated to me, and I may also add that a publication entitled "Chronique des Travaux Publics," specially intended for giving publicity to projects relating to public undertakings and enterprises, is published in Brussels, and might easily be furnished if required.

4. As respects general obstacles to trade, which might be modified, I may mention that, notwithstanding the liberal tendencies of Belgium in relation to commercial questions generally, the heavy customs duties on a large class of our products, as well as, in some cases, the high forwarding and other charges on the transport of goods, operate to a certain extent prejudicially to the development of British trade.

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6. I should approve of the establishment of an official periodical journal devoted to the interests of trade and industry, which would admit of information being disseminated more promptly than by means of the ordinary blue books.

7. Taken as a whole, I do not doubt that the suggestions referred to in Mr. Bryce's dispatch are entitled to the fullest consideration, and that many of them might be adopted with advantage to the commercial interests. If acted upon, a wider range of inquiry would be opened out to Her Majesty's consular officers, but this extension of their duties would involve an additional expenditure of time, and also, no doubt, a pecuniary outlay, in view especially of the suggestion that a closer personal intercourse or touch should be maintained between consular representatives abroad and the mercantile communities with which they are brought into contact.

## APPENDIX.

### (A).—*Instructions to Her Majesty's diplomatic representatives.*

#### 1. Extract from the sign-manual instructions to Her Majesty's ministers:

"You will make the commercial interests of Great Britain an object of your constant attention."

#### 2. Extract from the circular of the 24th February, 1857, which originated reports at regular intervals from missions abroad:

"Her Majesty's secretaries of embassy and legation, with a view to the same result [i. e., knowledge of commercial questions], might occasionally, and with the sanction of their chiefs, visit the great manufacturing towns, and also, in maritime countries, the outports, and witness the course of business there; and, if necessary, suggest from personal experience the adoption of measures by which the trade of British subjects might obtain facilities or be relieved from burdens and obstructions."

In a circular of the 6th April, 1872, Her Majesty's representatives were called upon to report on the general question of British trade with the country to which they were accredited, and to suggest means for its further development.

In a circular of the 8th of May, 1878, they were instructed to forward "*Précis of Parliamentary debates or proceedings, or the proceedings of public bodies, on matters affecting British commercial interests.*"

As regards regular reports, the secretary of embassy or legation at Paris, the commercial attaché, or a junior member of the mission in his absence, is required to prepare and send to the foreign office at least two reports every year, one commercial, on the "industry, trade, and general statistics" of the country where he resides; the other financial, on its budget and finances generally. These reports are directed to be forwarded half yearly. In addition to them, reports on subjects of commercial or general interest are required as occasion may arise.

The following circular, 8th March, 1881, contains the general directions now in force for Her Majesty's diplomatic and consular agents abroad with respect to British subjects who are seeking to promote industrial undertakings or to obtain concessions from foreign governments:

"It has been the general rule of this department that the secretary of state should decline to give letters of introduction or recommendation to Her Majesty's diplomatic or consular agents abroad in favor of gentlemen proceeding to foreign countries for the purpose of promoting any specific commercial or industrial undertaking, or of obtaining concessions from a foreign government. The reasons for this rule are obvious. It is generally impossible for the secretary of state to form a correct judgment as to the soundness or practicability of such undertaking; he cannot be well acquainted with the nature or merits of rival enterprises, and in the possible case of several British subjects of equal respectability being competitors for the same concession, he might be placed in an embarrassing position if one or more had not received the facilities which had been afforded to the other.

"The strict and universal application of this rule is, however, difficult.

"It is not always possible to decline altogether to British subjects of good standing and respectability the introduction which is necessary to show that they are persons of consideration, and to enable them to obtain access to the authorities before whom their proposals are to be laid. It may also occasionally happen that the bearer of a formal letter of introduction granted in the belief that it is desired for social purposes only may endeavor to turn it to account for purposes of business.

"I think it desirable, therefore, in order to guard against the risk of misunderstanding, to state that letters of introduction must not under any circumstances be construed as committing the home Government to the promoting of any particular enterprise, but only as intended to insure for the bearer that he should meet with such a reception as a traveler of respectability is entitled to."

(B.)—*Instructions to Her Majesty's consuls.*

The general consular instructions contain the following paragraph :

"It is the duty of consular officers to protect and to promote the lawful trade of Great Britain by every fair and proper means, and to uphold the rights and privileges of British merchants. Whenever changes are made which affect trade, either as regards general regulations or by increasing or diminishing duties or charges, such changes are immediately to be communicated by consular officers to the secretary of state, and to be made known to resident British merchants."

Consuls are required, in addition to sending dispatches at the time on any matters which concern British trade, to forward every year a commercial report on the trade of their district during the preceding year. At ports, navigation is also included.

In 1872 special reports on the position of British trade were called for and laid before Parliament. Since that date various circulars have been addressed to consuls with the view to improve these reports. They were instructed on the 25th of January, 1879, that special endeavor should be made to procure information on any of the following points:

- (a) Any local impediments to British trade.
- (b) Any opportunities which may present themselves for its extension.
- (c) Its progress and relative importance in the consular district as compared with the trade of any other countries, and they were further instructed by the same circular to draw up and forward their annual report, so that it should reach the foreign office not later than the 30th March in each year, without waiting for the issue of statistics or other official publications, which might be embodied in a supplementary report at a later date.

In a circular dated the 18th October, 1882, consuls received a general approval of their reports, which, it was added, "might, however, in many cases become still more useful by enumerating the various articles of British and colonial produce or manufacture for which a favorable market appears to present itself in your consular district, as well as those for which there is either no demand, or which can be more readily supplied from other countries. Opportunities for return freights, the export trade to the United Kingdom, industrial institutions, new inventions or appliances which may affect trade and commerce, harbor improvements and dues, landing and embarking facilities, average rates of freight, and public announcements for tenders for the execution of public works, are also matters which might with advantage be noticed as opportunities arise."

In December last the subject of the shape in which consuls' commercial reports could be improved, in order to make them more useful, was considered in consultation with the board of trade. A fresh instruction was issued, from which the following are extracts:

"Statistics of exports and imports are frequently given in much greater detail than is really needed. They may most conveniently be dealt with in future by the two forms, Annexes (B) and (C) to this dispatch. In the first of these forms it will be necessary only to enumerate the principal articles of export and import at your place of residence or in your consular district, leaving out, in the enumeration in detail of articles of export or import, those commodities which are of minor importance. The exports and imports in the year for which you are reporting should be compared with those of the previous year as regards quantities and values. Values and quantities should be stated in sterling, and British weights and measures only, the rate of conversion from the money and weights and measures of the country being clearly explained in a note. The second of these tables, Annex (C), is intended to indicate the principal countries from which articles of import are received, and to which articles of export are sent, and the extent of the trade.

"Other subjects which may be included in your trade report, namely, agriculture, cattle, population, industries, public health, and public works, should be treated chiefly from the point of view of commercial interests. British trade, and the means which may be suggested for its development, should form the principal object of these reports. The market prices of commodities, rates of freight, insurance, &c., should, as a rule, only be mentioned in general terms, unless you have any particular reason for a fuller statement. Fuller details respecting any of these matters may form the subject of dispatches in your commercial series whenever it is advisable to report on them.

"In writing out the annual report, the subject of each separate paragraph should be noted in the margin, in order that any special subject may be more readily found and utilized for the index at this office.

"Vice-consuls will in future furnish their reports to their superintending consul, who will read such reports carefully, and use his discretion as to annexing them in full, or merely embodying extracts from them in his own report. The superintending consul should, however, be careful to see that the instructions contained in this dispatch are strictly complied with in vice-consuls' reports."

(C.)—*Memorandum respecting the commercial museums at Antwerp and Brussels, and trade publications of Belgian Government, by Mr. C. M. Kennedy, C. B., and Mr. A. E. Bateman.*

Before proceeding to describe the commercial museums at Antwerp and Brussels, which we have recently visited by direction of the foreign office and the board of trade, it may be well to observe that there are two—or rather, three—distinct types of museums already in existence:

1. A museum of specimens of raw materials and manufactures imported from and exported to foreign countries, limiting the specimens of these exports to goods produced in countries other than that where the museum is established, so that information as to the description and price of goods used abroad is confined to what is produced by foreign competitors, and does not disclose the prices, &c., of home competitors.

The second class of museums—or, perhaps, rather export agencies—of which those at Lille, Stuttgart, and Munich are examples, are permanent exhibitions of articles produced in the country where they are established. Foreign buyers are invited to inspect these collections, and home manufacturers are strictly excluded. This limitation to bona fide foreigners must, however, often be eluded by stratagem, and there is also the difficulty that buyers, in times of depression especially, will not come to the sellers, but will wait to have goods brought to them.

A third class of museums, or export agencies, intended to meet this state of things, has lately been spoken of in Germany, viz, a ship fitted up as a warehouse, which is to take German goods to the principal trading centers of the world and force a market there.

To the same class belong the stationary collections of patterns which the Germans are reported to be establishing in North and South America.

The commercial museum at Antwerp belongs, however, to none of these types, being merely a collection of specimen articles of import and export arranged for the instruction of students at the "Institut Supérieur de Commerce," of Antwerp. This institution gives lectures, examines and grants diplomas to young men engaged in commerce. There are at present about 125 students in attendance.

The course takes two years, and the more general system of education adopted on the Continent compared with our own is well exemplified by it. In England, where trade is kept in well-defined grooves, it would seem strange to see a young man in the wool trade attending lectures on mineral ores or tobacco, so as to have a wide, if rather superficial, knowledge of all branches of trade.

The Antwerp Exhibition, which has just closed, contained two special trade collections, namely, the Congo section, which was organized and supplied by the Brussels Commercial Museum, and the French colonial section, which showed specimens of the articles produced and used in all the French colonies. The town of Antwerp, too, had, as an especial exhibit, a very imposing triumphal arch, composed of specimens of Antwerp foreign trade; but this was, of course, rather for the general purpose of the exhibition than for private use.

Coming now to the Commercial Museum at Brussels, we would wish, first, to record our thanks to the department of the affaires étrangères, from whom we received every attention and facility in inspecting the building and its contents.

The museum is a large and fairly commodious structure, situate in the Rue des Augustins, not far from the Bourse, and within easy reach of both railway stations. Not having been built for its present purpose, it is somewhat deficient in light on the ground floor; but it was secured at a low price in 1881 by the Belgian Government, who paid about 10,000*l.* for its purchase and alterations. They also pay a rent of 420*l.* a year to the town of Brussels. Furniture and fittings cost 3,000*l.*, and the annual amount voted by the Belgian chambers for its maintenance is about 1,000*l.*

The founders of the museum, which was started in 1881, had three chief objects in view:

1. To show the Belgian importer and manufacturer where he could best supply himself with the materials for manufacture direct from the place of production;
2. That the manufacturer should have the best information as to the goods in use and demand in foreign countries, so as to enter the field of competition if he saw an opening; and
3. (Which is really a branch of the second) that the manufacturer should also see the method of packing and getting up goods for export which is in favor in various countries.

The classification of the specimens is by forty-four general groups, which are divided into about 400 classes, again subdivided by the numbers of specimens.

For instance, Group 25, "Products of Spinning and Weaving," is divided into fifteen classes, which include some thousands of patterns, classed under the place where they are used. The explanation given in each instance further states the consul by

whom furnished, the country where they are made, their cost and description, length and breadth by which sold, &c.

Each pattern has a number corresponding with that in the catalogue, and this publication contains particulars about all the chief articles, as to the quantity used in the country from which the specimens come, and the proportion made there and elsewhere. The unprinted records of the department, which are shown readily to commercial applicants, give very complete details on these and cognate points of interest to them. The specimens are periodically furnished by Belgian consuls under a general order, which directs them to obtain patterns of all new articles of important consumption; and, on application from manufacturers and persons interested, special demands are constantly made on the consuls for specimens to fill gaps in the collection. Duplicate patterns, when they can be spared, are also often given away to those interested.

Besides the collection of specimens, which occupies three floors of the museum, a reading-room is also available, where the chief commercial journals of all countries are to be found, as well as technical dictionaries and business directories.

A special office supplies all information as to freight charges by sea or land—no unimportant element of cost; another department collects and publishes notices of tenders required by all the Belgian public departments, and those notified by Belgian representations abroad. The commercial journals in the library also afford much information on this point.

No general notices of home and foreign bankruptcies appear to be published in connection with the museum, but Belgian consuls give special information to applicants as to the credit of persons in their districts—of course without a guarantee. The names of the chief houses interested in the trade of which specimens are exhibited are also among the particulars furnished to applicants.

The prices of goods in the catalogue are stated to include customs duties at the various places; the collection of foreign tariffs open to the public is, however, not kept here, but at the *ministère des affaires étrangères*. As, however, the *Moniteur Belge* has printed all the chief tariffs in full, and adds from time to time any changes, a perusal of that publication will usually suffice.

We have not yet mentioned the weekly bulletin of the museum. This publication acts as a supplement to the catalogue, which is only printed once a year, and is constantly changing by the addition of new specimens and the removal of others in which the trade has become obsolete. The bulletin also contains abstracts from home and foreign consular reports and trade journals, &c., and the notices of tenders to which we have referred. Its price is 50 centimes each number, or 12 francs a year in Belgium and 18 francs abroad.

As to the extent to which the public make use of the museum it is somewhat difficult to judge. Visitors who simply walk through the rooms and inspect the specimens, without making any inquiries at the bureau, are not recorded in any way; but we were informed that about twenty persons per day consulted the archives of the museum for special information. We are also told by Mr. Consul-General Grattan that at Antwerp both merchants and manufacturers have expressed themselves as favorable to the principle of the museum, and desirous that something similar should be established at Antwerp as a supplement to the present educational museum to which we have referred above. Antwerp is naturally anxious to continue the great progress she has made of late years, both as an *entrepôt* and as a manufacturing center; and we find, indeed, from the table appended, No. 1, that her imports have increased in the last ten years from 1,800,000 to 2,900,000 tons, and her re-exports in transit have nearly doubled. Whether this will substantially affect the supremacy of London in the colonial trade time will show, but to establish more intimate relations between the foreign producer of the raw material and the home consumer, by means of the import department of the museum, is regarded by the Antwerp people as an important consideration.

With regard to the general question of establishing commercial museums in this country, three chief points occur to us as necessary to be first settled, viz:

1. Are the commercial and manufacturing classes in need of these institutions?
2. Should a single museum be established in London, or several provincial museums in the chief manufacturing towns?
3. Should any help be given by the State, except in the way of supplying articles through our diplomatic and consular machinery?

As regards 1 and 2, we would call attention to an article that appeared in the "Manchester Guardian" on the 31st July last, in which the need for such institutions is strongly urged. Several letters have since appeared in the same paper showing considerable interest in the subject, which has also been mentioned in the "Economist" and other papers. The second Report of the Royal Commissioners on Technical Instruction, vol. 1, p. 353, gives some interesting details of the Museum of Textile Fabrics at Mulhouse, which is stated to have exercised a very beneficial influence on the industry of the locality. It is true that this museum combines the art element

with the purely commercial influence which we have been considering at the Brussels Museum, and this is a very desirable combination, provided that museums for the different branches of industry could be established in the large manufacturing towns where they could be in close connection with the schools of design.

In France, where the chambers of commerce were consulted two years ago, the majority were in favor of provincial museums subsidized by the State, and this opinion is being acted on. There is, however, a department in the Ministère du Commerce at Paris where specimens sent home by consuls may be inspected, and notices of anything special being received are published in the "Journal Officiel."

There is also the Museum of Colonial Products, lately forming part of the Antwerp Exhibition; and this reminds us that in case it is thought desirable to employ our consuls to render the same assistance as is given in Belgium, provision may also have to be made for obtaining similar specimens from our colonies, where, of course, there are no British consuls. The same necessity exists for bringing the domestic producer and the distant consumer in the colonies into closer relation, as in the case of foreign countries. Our foreign competitors are on the lookout to secure these markets. It is probable that some of the exhibits in next year's Indian and Colonial Exhibition in London may be available for the formation of such a museum.

In conclusion we would suggest that, having regard to the importance of the matter at the present time, it would be advisable to appoint a departmental committee, consisting of representatives of the foreign, colonial, and Indian offices, the treasury, and the board of trade, to obtain the views of the chambers of commerce and of other associations and persons interested in foreign trade, as to the propriety of establishing a museum or museums of the kind we have described; and such committee should also advise Her Majesty's Government as to the necessary details of establishment and expense.

C. M. KENNEDY.

A. E. BATEMAN.

NOVEMBER 3, 1885.

(D.)—*Extract from a report on the system of French official commercial publications and on the establishment of commercial museums in France, by Mr. J. A. Crowe, C. B., commercial attaché to Her Majesty's embassy.*

#### *Official publications.*

The collection of statistics and information relating to trade is systematically carried out in several departments of the French administration, but chiefly in the ministries of commerce and finance. The ministry of finance is responsible for the publication of a monthly work called "Documents Statistiques sur le Commerce de la France," and a monthly "Bulletin de Statistique Comparée."

The first is devoted entirely to the commerce of France, of which it registers the values at monthly intervals; distinguishing imports from exports for the same periods in each of three consecutive years, and noting the chief countries with which trade is done. In addition to these monthly volumes include the values of all the principal articles imported and exported for ten years, the quantities of goods in bond, the imports of goods admitted free subject to re-exportation, the production, import, and export of sugar, and tables of navigation. All this, it is needless to say, is independent of the larger annual folios published under the titles of "Statistics of French Commerce" and "Statistics of French Navigation."

The bulletin of "Statistics and Comparative Legislation," also published monthly, comprises all the Laws and Decrees connected with finance and taxation, précis of custom-house revenue and bank returns, and miscellaneous statistical notices from abroad.

The work of the statistical department of the ministry of finance is so divided that it is difficult to give its cost in salaries. But the charge for printing alone is 2,519,500 francs (£100,780), of which 495,000 francs (£11,800) go to preparing the "Bulletin de Statistique," the budgets, and other publications above mentioned. The ministry of commerce prepares for publication such great works, as the annual folios of the "Statistique de la France." It also issues the "Annales du Commerce Extérieur," and the "Bulletin Consulaire," which are monthlies; and the weeklies, called "Le Moniteur Officiel du Commerce" and the "Bulletin Officiel de la Propriété Industrielle et Commerciale."

The "Bulletin Consulaire" requires very little editorial work, as it merely contains annual or half-yearly consular reports, which require little more than correction in proof. The advantage which this collection has over our consular reports is that it appears monthly throughout the whole year, at a fixed price of 1 franc 25 centimes (1 shilling) per number, or 12 francs a year, and is independent of the sessions of Parliament.

The "Moniteur Officiel du Commerce" is a newspaper with one chef de bureau at the ministry of commerce as editor, and three ministerial clerks as subeditors. It appears weekly, with twenty-four pages of close print, at the price of 50 centimes, or 44*d.* per number (£1 per annum). It is edited in the department of foreign commerce, and contains official documents, appointments, parliamentary reports, and papers relative to trade and commerce, and précis of custom-house circulars. A separate heading is given to foreign commercial legislation, and customs regulations and quarantine orders. Then come the proceedings of French chambers of commerce abroad, abstracts of monthly or quarterly consular reports, giving details as to the state of foreign markets, abstracts of foreign consular reports, miscellaneous news extracted from commercial publications, notes of business in French colonies, exhibitions, railway goods rates, notices to navigators, post-office notices, and sales and advertisements of public contracts. Whether as a financial speculation this paper pays is uncertain. It has frequently three pages of advertisements, but is furnished gratis to chambers of commerce and commercial museums.

Attached to the "Moniteur," though put together in the department of home commerce, is the "Bulletin Officiel de la Propriété Industrielle et Commerciale," a weekly sheet of sixteen pages, for which the charge is 50 centimes per number, or 30 francs a year.

But it is arranged that any subscribers to the "Moniteur" and "Bulletin" can have them both for 41 francs 25 centimes a year. The "Bulletin" gives summaries of patent laws at home and abroad, and reports of patent and trades-mark cases, decrees, and legislation. But the columns are mostly filled with specifications of patents, and additions to the same, and notices of new trade-marks, the business of each week being given regularly and alphabetically in each number of the periodical. The "Annales du Commerce Extérieur," which appear monthly, at 15 francs a year, or 25 centimes a sheet, are made up of contributions from three different departments. Under the head of commercial legislation we have commercial, navigation, and monetary treaties and conventions, and decrees and circulars of the customs and inland tax office.

Foreign tariffs form a set of sheets apart from the rest, and a third series of sheets is devoted to "commercial items."

If, on the one hand, the first of these parts gives rise to little editorial manipulation, the second creates a great amount of labor in the commercial department, because the tariffs are translated into French, with foreign rates and measures turned into French rates and measures. The third particularly requires careful labor and supervision. But the "Annales" have not what may be called a special newspaper staff.

The cost of printing in the ministry of commerce alone is down in the Budget for 280,000 francs a year (£11,200). Of this sum the shares for printing the commercial publications are as follows:

	Francs.
Annuaire du Ministère .....	1,900
Annales du Commerce Extérieur .....	17,000
Bulletin Consulaire .....	9,000
Miscellaneous .....	5,000
Annual statistics .....	15,000
Annuaire Statistique de la France .....	12,000
Various .....	3,000

In the autumn of 1883 an office was opened at the Ministère du Commerce, called "4<sup>e</sup> Bureau des Renseignements Commerciaux." This office, in the department of foreign commerce, enters into correspondence with persons desirous of information; it is also open at fixed hours daily to persons desirous of obtaining the latest information forwarded by French agents abroad to the ministry of foreign affairs. This information is posted up under the name of "Avis Consulaires," and is not only posted up to be read, but to be copied by reporters for the press. Since the opening of the "Bureau des Renseignements Commerciaux" took place a change has been made in its arrangements; it now deals not only with communications relative to commercial subjects, but with communications in respect of the formation of commercial museums; and this, there can be no doubt, will become an increasing business if the interest in these institutions increases.

#### *Commercial museums.*

The propriety and desirability of establishing commercial museums in France was taken into consideration by the French Government as far back as the autumn of 1883. In March 1885, in reply to questions embodied in one of Lord Granville's dispatches referring to these matters, I wrote "that a commission appointed to consider proposals for creating French chambers of commerce abroad had, in the course of its deliberations, discussed the subject of commercial museums. The report of this com-



mission is now before me. I am indebted for it to the kindness of the minister of commerce. It begins by setting forth that all questions of principle, as regards commercial museums, have been decided in accordance with the opinions expressed—almost unanimously—by the French chambers of commerce in their answers to a ministerial circular issued on the 11th of September, 1883. The decisions of this commission are embodied in the following resolutions:

1. It is of interest to found commercial museums in great industrial and commercial centers. So far as exhibits are concerned, each museum is to be special, and suited to the region in which it is established.

2. The title of "commercial museum" will be granted to any establishment of the kind founded or patronized by a chamber of commerce.

3. The expenses of museums are to be supported by local institutions, such as chambers of commerce, industrial societies, syndical chambers, and the like, or by the towns which own them or contribute to their foundation. For this purpose chambers of commerce are to be authorized, on their own demand, and in accordance with circumstances, either to draw for their expenses on their own special budgets, or to charge them to the account of their ordinary outlays for libraries, studies, or miscellaneous objects.

The State cannot remain altogether aloof from creations of this kind, which are calculated to produce excellent effects as regards the education of French mercantile men ("commerçants"), manufacturers, and workmen. It is therefore advisable ("il y a donc lieu") to introduce into the budget of the ministry of commerce a credit for commercial museums. Yet, under all circumstances, the commission thinks the financial intervention of the State need not be obligatory, nor is it to be more than an annual and renewable payment in aid, subject to the previous participation of chambers of commerce, municipalities, and local institutions of the regions in which the museums are to be founded.

4. The managing body of museums, as well as the administrations or persons from which samples are procured, are to be free from all responsibility towards the public in respect of all information furnished through the medium of those establishments.

I have made very strenuous efforts to ascertain what in France has been the result of the agitation for commercial museums. I have visited most of the museums themselves, and I have convinced myself that, unless the Government and local bodies concerned in these matters combine to expend a fair amount of capital as well as good wishes upon them, they are not likely to afford even that measure of success which some of the original promoters thought it would be feasible to attain.

The museums which I first visited were in the north of France. A note which I had received informed me that twelve museums had been instituted at—(1) Amiens, (2) Angoulême, (3) Aubusson, (4) Clermont-Ferrand, (5) Elbeuf, (6) Grenoble, (7) Lille, (8) Rheims, (9) Rouen, (10) St. Quentin, (11) Tarare, (12) Troyes.

Ministerial decisions have endowed these places with the official character of commercial museums. But up to the end of May many of these establishments were not yet in working order. The places most forward in this respect were said to be Aubusson, Clermont, Elbeuf, Lille, Rouen, St. Quentin, Tarare, and Troyes. Besides these, however, there were older establishments of the same type already in existence in Paris, St. Nazaire, Arras, Bordeaux, Boulogne-sur-Mer, and Lyons. The full account of my visit to these places will be found in the report, which in accordance with my instructions I have drawn up and forwarded to the foreign office for publication.\*

J. A. CROWE.

PARIS, July 15, 1886.

(E.)—*Memorandum by Mr. C. M. Kennedy, C. B., with regard to the publication of diplomatic and consular trade reports in other countries.*

It may be observed, in the first place, that the United States, French, and Belgian reports, which have lately attracted much attention in this country, are simply founded on the model of our consular reports. They are of comparatively recent date; for instance, the first United States trade report for Portugal is for the year 1883, and is based on information supplied by Mr. Consul Brackenbury to his United States colleague.

The consuls of these countries have far less work to do than British consuls. A well-drawn circular for special reports on the cotton trade was latterly addressed by the Secretary of State to United States consuls, and the answers have been instructive. The comparative novelty of the thing and special conditions have, in many instances, led to good reports by foreign consuls; but they are not superior (except occasionally in particular details) to the reports of British consuls, and the persons who edit these publications in foreign countries are surprised and amused at the enthusiastic remarks lately made here with respect to them.

\* Miscellaneous series No. 5 (1886).

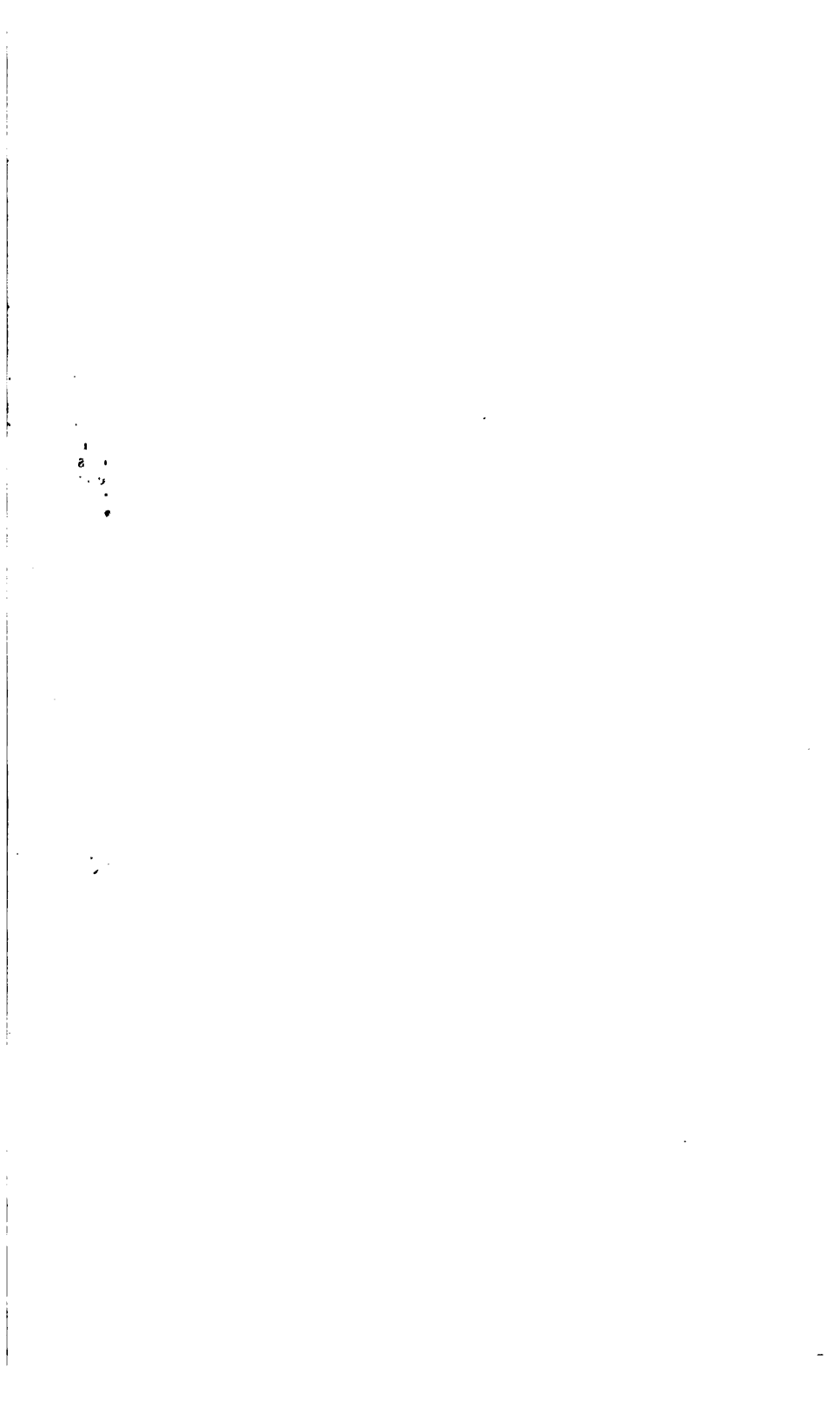
The French system, which I lately examined, is as follows: Each consul has to make an annual report, and, in addition, a short statement on current trade matters once a fortnight, or at least once a month. On asking whether French consuls really did supply these reports, whether they existed in fact or only in theory, and what happened if the consul did not supply them, the answer was that if there really was nothing to report there was no reason to maintain the consulate, and the post would be abolished, or else the man was useless, and he would be replaced by some one who could supply reports. This argument is good to some extent; but it must be remembered that the making reports is not the only duty, and often is not the chief occupation of British consuls. The French consular annual reports are published in the *Bulletin Consulaire Français*, which is issued in monthly parts. The fortnightly or monthly reports are published in the *Moniteur Officiel du Commerce*, a weekly publication, which contains official announcements on trade matters from different ministerial departments, and a variety of other information bearing on these subjects. This publication has the largest sale of any French official publication. It has about 500 annual subscribers, who pay 25 francs; the price of each copy is 50 centimes. The sale of the *Bulletin Consulaire* is small, like that of our own consular reports.

All consular reports are sent in MS. (often with preliminary excisions) from the French foreign office to the ministry of commerce, where they are printed, and the proof sent, with remarks, to the foreign office for final approval before publication. There is an editing bureau, with a chief and a staff of three or four assistants; they also manage the printing of other papers of the ministry of commerce. Such papers come to them from each department in a state of preparatory revision; they are printed as received, and the editing bureau returns the proof with remarks when they seem necessary, but the responsibility both of publishing and of the form adopted rests with the department which they concern. There is another useful publication issued by the ministry of commerce, the *Avis Commerciaux*, chiefly extracts from the *Moniteur Officiel du Commerce*. About 1,000 copies are struck off and issued gratuitously to chambers of commerce, newspapers, and the prefects of departments.

C. M. KENNEDY.

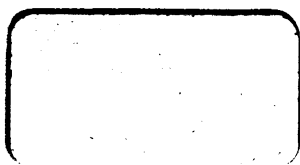
FOREIGN OFFICE, *June 4, 1886.*

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